

# **Strategic Market Analysis**

## **Mixed-Use Development**

Centerplan Development Company, LLC | Middletown, Connecticut | July 15, 2014

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## Objectives

Centerplan Development Company, LLC engaged RCLCO to conduct a high-level, preliminary market analysis for a potential infill redevelopment opportunity located in downtown Middletown, Connecticut.

The site spans 11.5-acres, and Centerplan's objective is to understand the depth of demand for rental and for-sale residential product, realizing that this is a relatively new offering in this marketplace.

RCLCO performed the following tasks in order to complete the analysis:

- Compiled and analyzed economic and demographic data for the Middletown market, as well as broader Middlesex County and Hartford metropolitan region.
- Visited and evaluated the subject site in order to develop a greater understanding of the market.
- Surveyed existing for-rent and for-sale residential product with the Middletown market.
- Prepared recommendations and strategies regarding overall market feasibility and program based upon an analysis of competitive residential projects.
- Recommended a preliminary project scale, unit mix, and price points/rents, based on a preliminary projection of likely demand for rental and for-sale residential product.
- Examined and synthesized economic and demographic data that further characterizes existing renters and homeowners within the market.

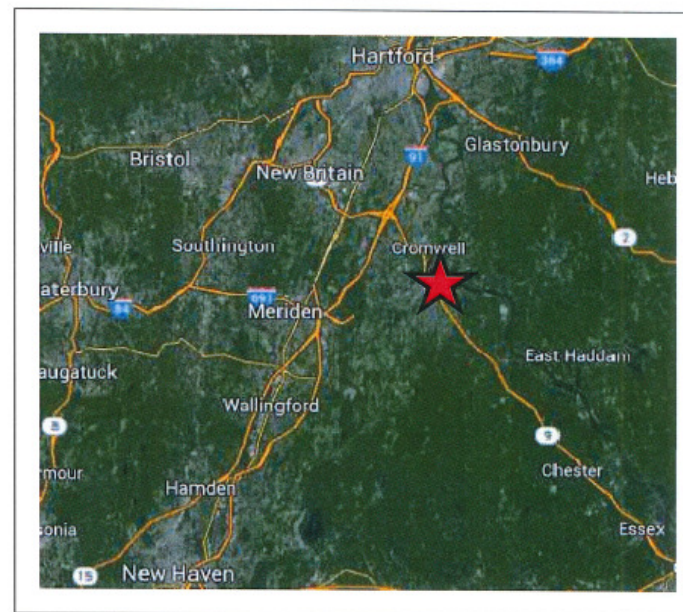
Given that in-town housing of this nature has not been delivered in Middletown in quite some time, direct consumer research will probably be required to size the market more precisely, and confirm its willingness to pay premium rents/prices, but this effort has not yet been completed.

## Key Findings

- We have concluded that this market would be well-served with contemporary, in-town, rental and for-sale housing—a product that is not currently available in Middletown, and that such an offering could achieve a significant premium to the marketplace.
- There is a pool of existing renters capable of paying rents supportive of new construction—the target customer group for the subject property includes young professionals and empty nesters
  - While the deepest segments of the marketplace, which includes families, are best served by affordable and workforce housing, roughly 10% of the marketplace—which is defined as households living with eight miles of Middletown—can pay premium rents
  - We hypothesize that given the walkability, charm, and amenities of the town, a meaningful subset of this group might opt for an in-town alternative if available and compelling
- Case study evidence suggests that high quality housing of this type can achieve a premium of 25% to 30%, and that the subject site should achieve rents approaching \$2.00 per square foot
  - Current top-of-market rents within the Middletown market are slightly more than \$1.50 per square foot
- These rent levels should support wood-frame, mid-rise construction—designed to wrap residential units around a parking podium, which can achieve an urban streetscape
  - Over time, the project might support 225 to 275 units, recommend beginning with a first phase of 125 to 175 units
  - Project planning might contemplate several “identities” within the community, which includes younger singles and couples, mature renters by choice, and empty nesters

- While new to the marketplace, we hypothesize that there is an opportunity for for-sale, in-town housing, which might include townhomes, flats, and hybrid units that offer private roof decks
  - Buyers are most likely to be move-down/empty nesters, and some first time homebuyers
  - Target prices, subject to confirmation, should be in the \$300,000 to \$500,000 range
  - A well-executed project should achieve 25 to 30 sales per year, three to four years of marketing should total 100 to 125 units

*Aerial of Subject Site within Region*



Source: Google; RCLCO



## Subject Site Analysis

- **The subject site is located along Middletown's prime, downtown corridor**
  - The site is walkable to an array of dining and shopping destinations
  - Downtown Middletown has a vast supply of beautiful, historical architecture that lines the city streets
- **The site is ideally situated between employment centers**
  - Although the subject site is located in an urban environment, the site is close to several thoroughfares that connect directly to I-91
  - The location allows for reasonable everyday commutes to Hartford as well as New Haven
- **The site is well-connected to the Middletown Area Transit system**
  - The bus routes offer transportation access for surrounding Middletown as well as other adjacent municipalities
  - The "M-Link" route connects downtown Middletown and Westfield Meriden Mall, which is located west of the subject site
- **Middletown boasts a strong base of education and health institutions**
  - Middlesex Hospital, Connecticut Valley Hospital, and Riverview Hospital for Children and Families are all located within two miles from the subject site
  - The entrance to Wesleyan University is located at the corner of Washington St. and High St., and the campus spans south and west from this intersection

*Aerial of Subject Site, Downtown Middletown*



*Source: Google; RCLCO*

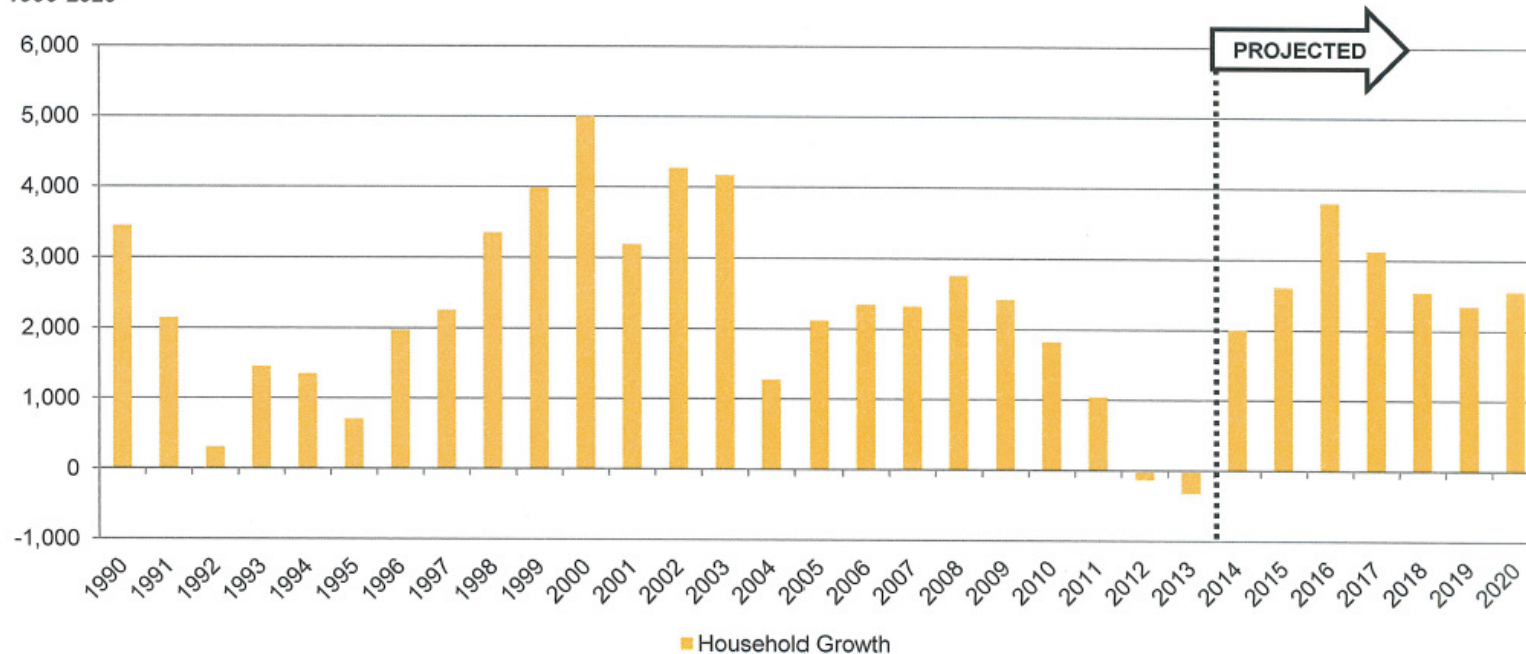


## Economics and Demographics

The Hartford MSA's job market, which encompasses Middlesex County, is mostly comprised of health care, manufacturing, public administration, and educational services jobs, and the MSA consists of nearly 630,000 jobs. The economic performance of the metropolitan area has mirrored broader cyclical trends, as the area lost a significant number of jobs during the recent downturn. Since the bottom, job growth has recovered and is expected to reach previous market cycle levels in the short-term.

With regard to household formation and growth, the Hartford MSA currently supports more than 470,000 households. Annual growth between 2000 and 2010 averaged approximately 2,700 households, and despite a small decline during the downturn, household growth is anticipated to reach previous levels in the short-term.

**Historical and Projected Household Growth  
Hartford-West Hartford-East Hartford, CT MSA  
1990-2020**



Source: Moody's Economy.com

## Economics and Demographics

- For the sake of our analysis, we utilized an 8-mile radius from the subject site—known as the Primary Market Area ("PMA"). The PMA covers the entirety of Middletown and also expands north into Hartford County and west into New Haven County.
- The PMA currently supports more than 63,000 households, which constitutes more than 13% of the entire Hartford MSA.

**Economic and Demographic Data – Subject Site**  
**Primary Market Area – 8-Mile Radius**  
**2013-2018**

	Subject Site			
	2013	% TOTAL	2018	% CHANGE
Population	157,260	-	158,614	0.9%
Households	63,507	-	64,154	1.0%
Median Age	41.6	-	42.4	1.9%
Average Household Size	2.4	-	2.4	-
Households by Income				
<\$15,000	5,575	8.8%	5,279	-5.3%
\$15,000-\$24,999	4,154	6.5%	3,207	-22.8%
\$25,000-\$34,999	4,818	7.6%	3,182	-34.0%
\$35,000-\$49,999	8,572	13.5%	7,681	-10.4%
\$50,000-\$74,999	10,762	16.9%	10,752	-0.1%
\$75,000-\$99,999	8,990	14.2%	10,442	16.2%
\$100,000-\$149,999	11,549	18.2%	12,212	5.7%
\$150,000-\$199,999	5,460	8.6%	7,105	30.1%
\$200,000+	3,625	5.7%	4,294	18.5%
TOTAL	63,505	-	64,154	1.0%
Median Household Income	\$68,491		\$78,606	14.8%
Average Household Income	\$92,142		\$106,168	15.2%
Per Capita Income	\$37,859		\$43,586	15.1%

Source: ESRI

- The PMA also has strong household incomes, as 46% of households within this area earn more than \$75,000, and the median household income is nearly \$70,000.
- When compared to the City of Middletown, the PMA has higher incomes, and caters to a demographic that is more likely to support the offerings of the subject site.

**Map of Middletown, CT and Primary Market Area**  
**Middletown, CT**  
**2014**



Source: RCLCO; ESRI



## Economics and Demographics

For the analysis, we compared the Middletown subject site to Blueback Square and analyzed economic and demographic data constituting a 3-mile radius around each site. While the immediate radius around the subject site has significantly fewer people, income levels are higher; moreover, the demographics at the subject site continue to improve as the geography is expanded to include the 8-mile PMA.

As a point of comparison, Blueback Square, located in West Hartford, is an established, mixed-use town center that has experienced much success in recent years, including rental apartments achieving \$3.00+ PSF rents, and high-density for-sale housing achieving more than \$400 PSF. The project has a strong mix of national retailers, and successfully engages with historic, municipal buildings, and various green spaces.

### Comparison of Subject Site and Blueback Square 3-Mile Radius from Each Site 2013-2018

	Subject Site 3-Mile Radius				Blueback Square 3-Mile Radius			
	2013	% Total	2018	% Change	2013	% Total	2018	% Change
Population	42,065	-	42,116	0.1%	126,451	-	127,311	0.7%
Households	17,168	-	17,243	0.4%	49,923	-	50,286	0.7%
Median Age	39.9	-	40.6	1.8%	36.3	-	36.7	1.1%
Average Household Size	2.2	-	2.2	-	2.4	-	2.4	-
Households by Income								
<\$15,000	2,559	14.9%	2,518	-1.6%	9,568	19.2%	9,466	-1.1%
\$15,000-\$24,999	1,753	10.2%	1,399	-20.2%	5,463	10.9%	4,420	-19.1%
\$25,000-\$34,999	1,520	8.9%	1,046	-31.2%	5,631	11.3%	4,145	-26.4%
\$35,000-\$49,999	2,765	16.1%	2,576	-6.8%	6,540	13.1%	6,391	-2.3%
\$50,000-\$74,999	2,646	15.4%	2,732	3.3%	6,587	13.2%	7,064	7.2%
\$75,000-\$99,999	2,066	12.0%	2,467	19.4%	4,219	8.5%	5,059	19.9%
\$100,000-\$149,999	2,500	14.6%	2,727	9.1%	5,646	11.3%	6,115	8.3%
\$150,000-\$199,999	906	5.3%	1,223	35.0%	3,000	6.0%	3,881	29.4%
\$200,000+	453	2.6%	554	22.3%	3,268	6.5%	3,744	14.6%
TOTAL	17,168	-	17,242	0.4%	49,922	-	50,285	0.7%
Median Household Income	\$49,903		\$57,801	15.8%	\$43,789	-	\$51,828	18.4%
Average Household Income	\$70,162		\$79,945	13.9%	\$77,422	-	\$90,798	17.3%
Per Capita Income	\$29,823		\$33,811	13.4%	\$31,381	-	\$36,676	16.9%

Source: ESRI



## Competitive Market Analysis

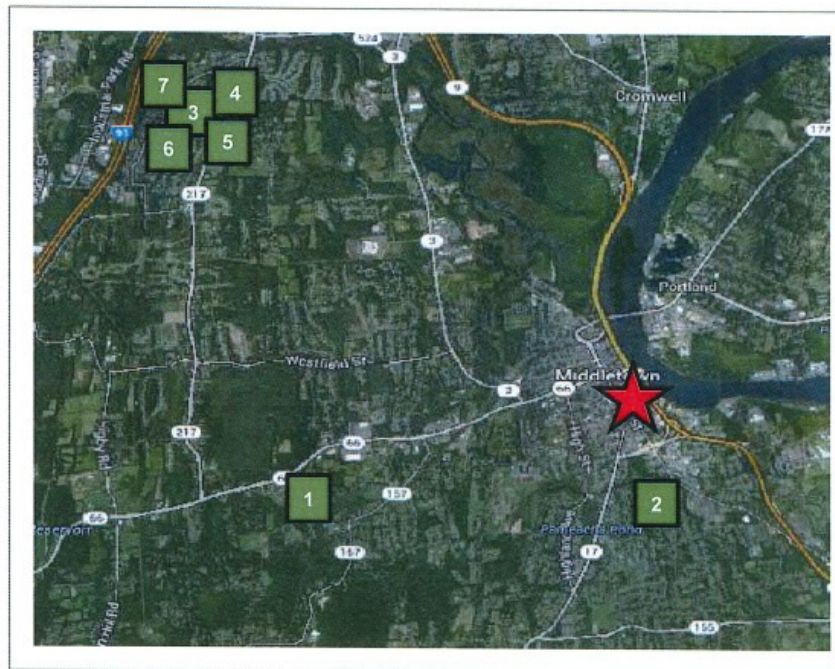
- The competitive market area supports some Class A, garden-style product and a large amount of Class B/C product. The majority of the Class A product is located northwest of downtown Middletown—adjacent to I-91.
- The properties located by I-91 currently have occupancy rates above 95% as these assets typically attract young professionals that prefer easy access to Hartford and New Haven—this young professionals market might also be attracted to the subject site, despite longer drive times.
- Knoll Crest, a garden-style project built in 2009, and Madison Northwoods, an older garden-style product, currently achieve top-of-market rents—slightly higher than \$1.50 per square foot.

### Rents for Comparable Rental Communities

MAP KEY	BUILDING	CLASS	YEAR	\$/SF
1	Knoll Crest	A	2009	\$1.51
2	Middletown Ridge	A	1988	\$1.28
3	Chestnut Hill	A	1986	\$1.38
4	Town Place Apartments	A	1987	\$1.37
5	Middletown Brooke	A	1989	\$1.45
6	Windshire Terrace	A	2000	\$1.32
7	Madison Northwoods	A	1987	\$1.52

Source: RCLCO; Local market representatives

### Comparable Rental Communities



Source: Google; RCLCO

# Competitive Market Analysis

## Features and Amenities for Rental Comparables

MAP KEY COMMUNITY	FLOORS	APPLIANCES	COUNTER TOPS	KITCHEN	DISHWASHER & DISPOSAL	IN-UNIT W/D	FURNISHED	FIRE PLACE	CEILING FANS	PATIO/ BALCONY	OTHER
1 Knoll Crest	Carpet and Faux hardwood	Electric stove	Granite	Island- configuration	X	X	-	X	-	X	9' ceilings
2 Middletown Ridge	Carpet and ceramic tile	Electric stove	Laminate	Standard	X	-	-	(S)	-	X	Vaulted ceilings (S)
3 Chestnut Hill	Carpet and ceramic tile	Electric stove	Laminate	Standard	X	X	(S)	(S)	-	X	Vaulted ceilings (S)
4 Town Place Apartments	Carpet and ceramic tile	Stainless steel	Laminate	Standard	X	X	(S)	-	-	X	
5 Middletown Brooke	Carpet and ceramic tile	Gas range	Laminate	Standard	X	(S)	-	(S)	-	X	Vaulted ceilings (S); Track lighting (S)
6 Windshire Terrace	Carpet and Faux hardwood	Electric stove	Granite	Standard	X	X	-	X	-	X	Floorplans offer room for dining table
7 Northwoods	Carpet and Laminate	Electric stove	Laminate	Breakfast bars	X	X	(S)	(S)	-	X	Central A/C

MAP KEY COMMUNITY	POOL	CLUBHOUSE	FITNESS CENTER	PLAYGROUND/ PICNIC AREA	PARKING	ON-SITE STORAGE	BUSINESS CENTER	OTHER
1 Knoll Crest	X	X	X	X	Surface	-	-	-
2 Middletown Ridge	X	-	X	-	Surface	X		Racquetball court; On-site laundry
3 Chestnut Hill	X	X	X	X	Surface	-	-	Racquetball court; Tennis court
4 Town Place Apartments	X	X	X	X	Surface	X	-	Dog park
5 Middletown Brooke	-	X	X	X	Covered (Available)	-	-	Dog park
6 Windshire Terrace	X	X	X	X	Surface	-	-	-
7 Northwoods	X	X	X	-	Covered (Available)	-	X	Tanning bed; Nature trails

Note: (S) indicates "in select apartments"

Source: Local market representatives



## Renter Market Depth and Demand

- The chart below summarizes RCLCO's methodology for quantifying the depth of market for rental housing—sorting existing renters by life-stage/family composition, and income levels and implied supportable rent.
- Some overlap with regard to the amount that a specific segment pays in monthly rent exists, and illustrates the “on the margin” decision that renters make when deciding which property to rent from.

### RCLCO Definition of Market Segments

	STUDENT	POST-GRAD	YOUNG PROFESSIONAL	FAMILY	RENTER BY CHOICE	EMPTY NESTER	SENIORS
AFFORDABLE			Age 18-34 Singles: Less than \$35,000 Couples: \$35k-\$50k  Less than \$1,000 in monthly rent	Any household with children  Incomes less than \$50,000  Less than \$1,000 in monthly rent	Age 35-54 Roommates: Less than \$35,000 Couples: \$35k-\$50k  Less than \$1,000 in monthly rent	Age 55-74 Couples: Less than \$35,000  Less than \$1,000 in monthly rent	Age 75 + Single: Less than \$35,000 Couples: \$35k-\$50k  Less than \$1,000 in monthly rent
WORKFORCE		Age 18-24  Roommates: Less than \$100k Single: Less than \$50k  Between \$1,000-\$1,700 in monthly rent	Age 25-34 Roommates: \$35k-\$100k Singles and Couples: \$35-\$75k  Between \$1,000-\$1,700 in monthly rent	Any household with children  Incomes \$50k-\$100k  Between \$1,000-\$1,700 in monthly rent	Age 35-54 Roommates: \$35k-\$100k Singles and Couples: \$35-\$75k  Between \$1,000-\$1,700 in monthly rent	Age 55-74 Roommates: \$35k-\$100k Singles and Couples: \$35-\$75k  Between \$1,000-\$1,700 in monthly rent	Age 75 +  Less than \$75k  Between \$1,000-\$1,700 in monthly rent
MARKET RATE		Age 18-24  Roommates: Over \$100k Single: \$50k-\$100k  Between \$1,400-\$2,000 in monthly rent	Age 25-34 Roommates: Over \$100k Singles and Couples: \$75k-\$150k  More than \$1,700 in monthly rent	Any household with children  Incomes Over \$100k  Between \$1,400-\$2,300 in monthly rent	Age 35-54 Roommates: Over \$100k Singles and Couples: \$75k-\$150k  More than \$1,700 in monthly rent	Age 55-74 Roommates: Over \$100k Singles and Couples: \$75k-\$150k  More than \$1,700 in monthly rent	Age 75 +  Over \$75k  Between \$1,400-\$2,300 in monthly rent
LUXURY			Age 18-34  Singles and Couples: Over \$150k  More than \$2,300 in monthly rent		Age 35-54  Singles and Couples: Over \$150k  More than \$2,300 in monthly rent	Age 55-74  Singles and Couples: Over \$150k  More than \$2,300 in monthly rent	

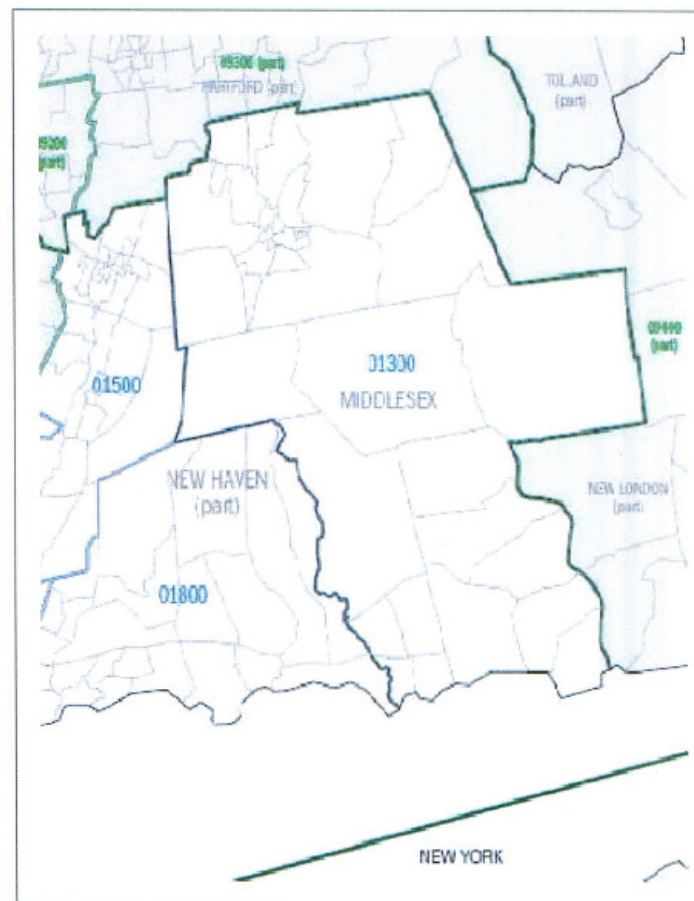
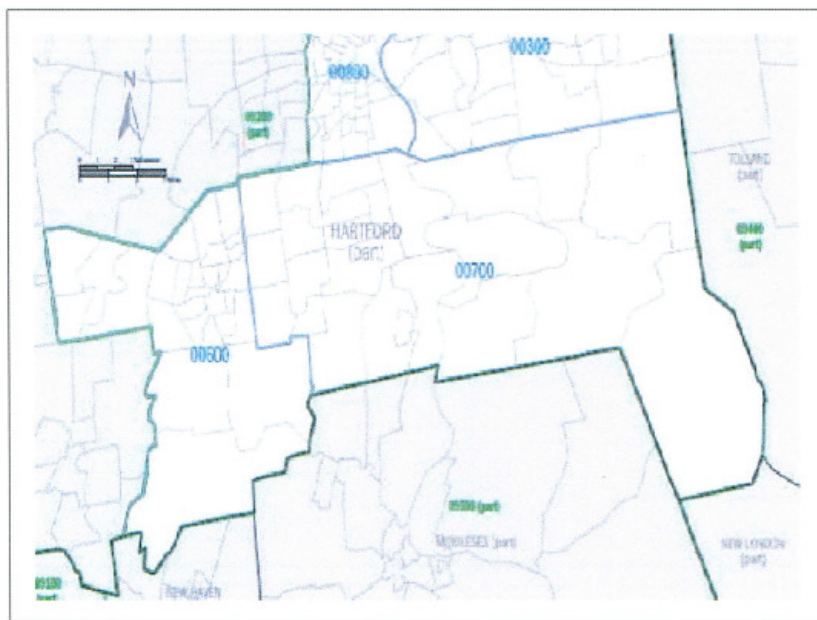
Source: RCLCO



## Definition of Market Area

- The maps below, which are used for the American Community Survey, reflect the geographies that were used to define the subject site's primary target market segments.
- The market segmentation analysis used data from the 00600, 00700, and 01300 geographies. The 00600 and 00700 areas constitute "South Hartford," whereas 01300 encompasses all of Middlesex County.

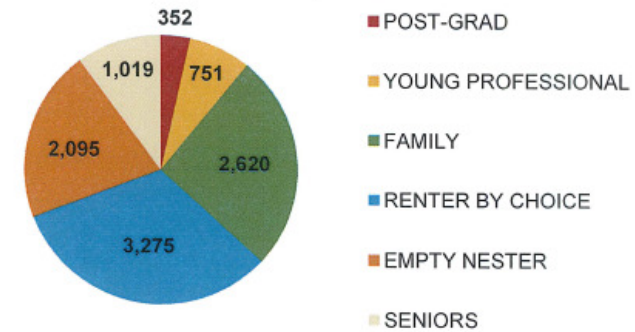
**American Community Survey PUMA Maps  
Middlesex County and South Hartford, CT  
2010-2012**



Source: American Community Survey 2010-2012 PUMS

## Renter Market Depth and Demand

- The primary demand pool for the subject site consists mostly of households considered “market rate” or “luxury.”
- Of the households considered market rate and luxury, young professionals, renters by choice, and empty nesters provide the majority of the market depth.
- The following charts include totals for the Middlesex County and South Hartford geographies—as defined by the American Community Survey on the previous slide.



**Summary of Demand Renter Market Depth**  
Middlesex County and South Hartford, CT

	STUDENT	POST-GRAD	YOUNG PROFESSIONAL	FAMILY	RENTER BY CHOICE	EMPTY NESTER	SENIORS
AFFORDABLE			303	1,641	1,957	1,176	106
WORK-FORCE		152	242	894	1,023	726	861
MARKET RATE		160	206	85	245	193	52
LUXURY		40	0		50	0	

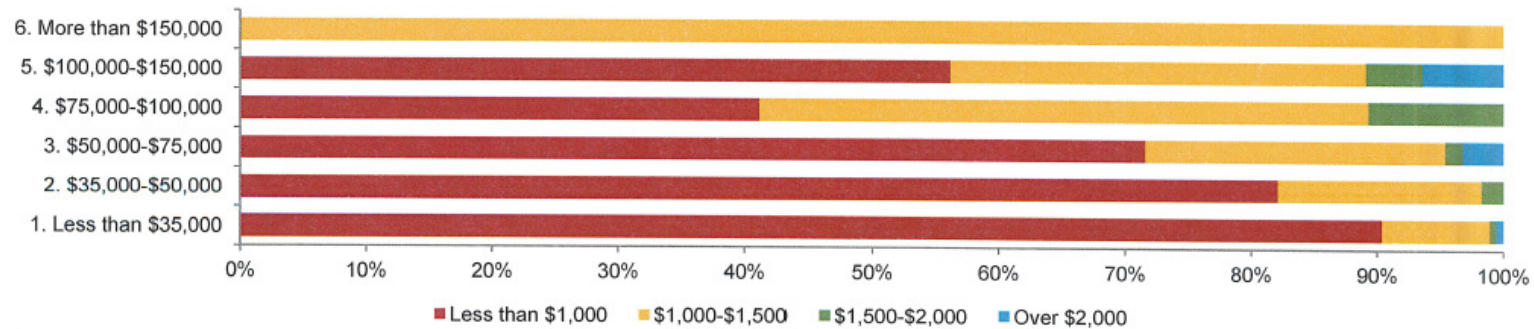
Source: RCLCO; American Community Survey 2010-2012 PUMS



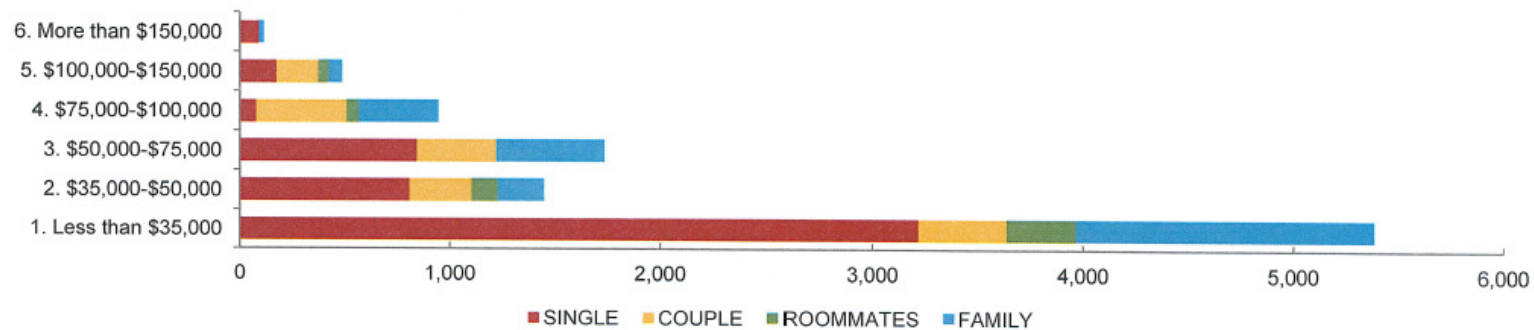
## Renter Market Depth and Demand

- As mentioned, the majority of renter households within Middlesex County and South Hartford currently pay less \$1,500 per month for rent.
- However, the following charts illustrate that although a large majority of renters pay less than \$1,500, a market audience of singles, couples, and families that earns more than \$75,000 does in fact exist within the market.

**Percentage of Renter Households by Income and Monthly Rent**  
Middlesex County and South Hartford, CT



**Total Number of Renter Households by Income and Household Segment**  
Middlesex County and South Hartford, CT



Source: RCLCO; American Community Survey 2010-2012 PUMS



## Renter Market Depth and Demand

- As previously indicated, we utilized an 8-mile radius from the subject site—known as the primary market area—for the renter demand analysis.
- The analysis accounts for the total number of households within the primary market area, then breaks the data down by the percentage of renter households, the percentage of households that turnover on an annual basis, and the percentage of households that choose multifamily building types—these percentages are derived from data collected by the American Community Survey.
- Once this pool of existing demand is determined, we account for projected household growth over a 3-year period, and break out the number of these new households that will choose to rent (as well as the number that will choose to rent new product).
- After existing demand and projected demand is determined, we apply a percent capture to the subject site that our previous experiences indicate as reasonable based upon the market, product type, location, and a host of other factors.

### Annual Renter Demand for Subject Site 8-Mile Radius from Subject Site 2013-2018

HOUSEHOLD INCOME	AFFORDABLE RENT RANGE <sup>1</sup>	TOTAL HHs <sup>2</sup>	EXISTING HOUSEHOLDS				NEW HOUSEHOLDS			TOTAL			SUBJECT PROPERTY	
			% RENTERS <sup>3</sup>	% OF RENTERS IN TURNOVER <sup>3</sup>	% CHOOSE MF <sup>3</sup>	DEMAND FROM EXISTING RENTERS	NEW HHs <sup>2</sup>	% CHOOSE TO RENT	TOTAL DEMAND FROM NEW HHs	TOTAL DEMAND	% CHOOSE NEW	DEMAND FOR NEW	CAPTURE	DEMAND
UNDER- \$50,000	UNDER- \$1,000	23,261	65%	35%	50%	2,646	61	65%	40	2,686	5%	134	0%	0
\$50,000- \$75,000	\$1,000- \$1,400	10,826	50%	30%	40%	649	28	50%	14	664	25%	166	20%	33
\$75,000- \$100,000	\$1,400- \$1,700	9,056	30%	20%	35%	190	24	30%	7	197	40%	79	30%	24
\$100,000- \$150,000	\$1,700- \$2,300	11,586	15%	15%	35%	91	30	15%	5	96	50%	48	40%	19
\$150,000 AND OVER	\$2,300 AND OVER	9,142	5%	10%	35%	16	24	5%	1	17	50%	9	40%	3
<b>Total - Annual</b>		<b>63,871</b>				<b>947</b>	<b>168</b>		<b>27</b>	<b>974</b>		<b>301</b>		<b>79</b>
<b>Total - 3-Year Demand</b>														<b>238</b>

<sup>1</sup> RCLCO estimates based on review of American Community Survey PUMS data.

<sup>2</sup> ESRI

<sup>3</sup> American Community Survey 2010 - 2012 PUMS; Adjusted by RCLCO such that total quantity of renter households approximates ESRI's 2012 estimate for the PMA.

Source: American Community Survey 2010-2012 PUMS, ESRI

## For-Rent Recommendations

In order to illustrate the differences between the site's two primary market segments, we programmed the site as such. Since the market is not likely to absorb nearly 300 units in one delivery, we anticipate that the rental product at the subject site will be developed in multiple

phases—with each phase providing floor plans and unit types that meet the needs and preferences of young professionals and empty nesters. This strategy should allow for the project to establish its market position, and generate further interest and development activity.

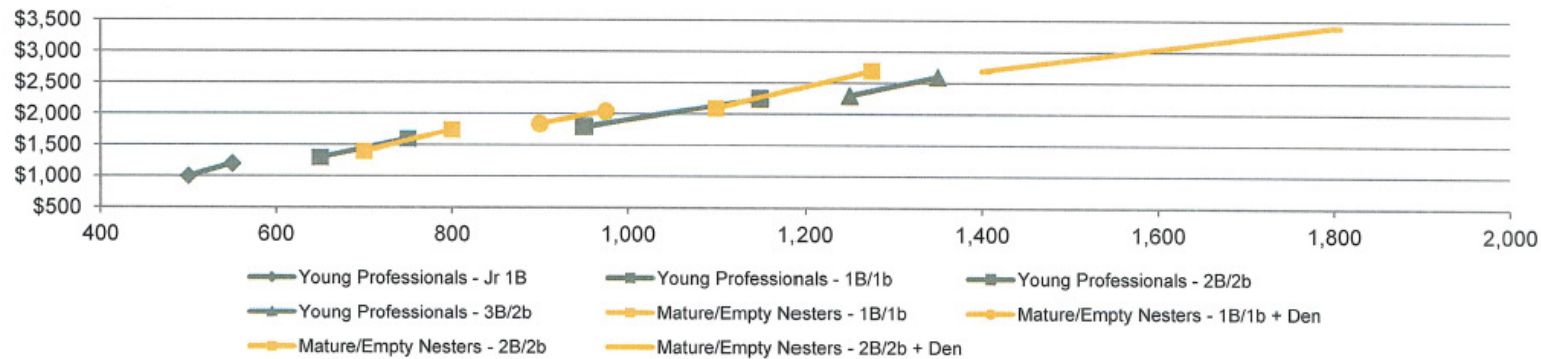
### Proposed For-Rent Program

#### YOUNG PROFESSIONALS

Unit Type	No. Units	% of Total	Size Range	Avg. Size	Rent Range	Avg. Rent	\$/SF Range	Avg. \$/SF
Jr 1B	25	15%	500 - 550	525	\$1,000 - \$1,200	\$1,100	\$2.00 - \$2.18	\$2.10
1B/1b	50	30%	650 - 750	700	\$1,300 - \$1,600	\$1,450	\$2.00 - \$2.13	\$2.07
2B/2b	83	50%	950 - 1,150	1,050	\$1,800 - \$2,250	\$2,025	\$1.89 - \$1.96	\$1.93
3B/2b	8	5%	1,250 - 1,350	1,300	\$2,300 - \$2,600	\$2,450	\$1.84 - \$1.93	\$1.88
<b>Total/Avg.</b>	<b>165</b>	<b>100%</b>		<b>879</b>		<b>\$1,735</b>		<b>\$1.97</b>

#### MATURE/EMPTY NESTERS

Unit Type	No. Units	% of Total	Size Range	Avg. Size	Rent Range	Avg. Rent	\$/SF Range	Avg. \$/SF
1B/1b	25	20%	700 - 800	750	\$1,400 - \$1,750	\$1,575	\$2.00 - \$2.19	\$2.10
1B/1b + Den	31	25%	900 - 975	938	\$1,850 - \$2,050	\$1,950	\$2.06 - \$2.10	\$2.08
2B/2b	56	45%	1,100 - 1,275	1,188	\$2,100 - \$2,700	\$2,400	\$1.91 - \$2.12	\$2.02
2B/2b + Den	13	10%	1,400 - 1,800	1,600	\$2,700 - \$3,400	\$3,050	\$1.93 - \$1.89	\$1.91
<b>Total/Avg.</b>	<b>125</b>	<b>100%</b>		<b>1,079</b>		<b>\$2,188</b>		<b>\$2.03</b>



Source: RCLCO



## For-Rent Recommendations

- Given the subject site's topography, as well as its relationship to downtown, a rental product that engages the street front while offering amenity space and parking within the project should successfully attract the young professional and empty nester market segments.
- Avalon Park Crest located in Tysons Corner, VA and The Fitzgerald in Baltimore are examples of wood-frame projects that incorporated such "wrap-around" aspects, while maintaining a large degree of architectural character.

***Avalon Park Crest – AvalonBay Communities  
Tysons Corner, VA***



*Source: AvalonBay*

***The Fitzgerald – Bozzuto  
Baltimore, MD***



*Source: Bozzuto*



## For-Sale Market Depth and Demand

- Similarly to the rental demand analysis, we utilized the 8-mile PMA for the for-sale analysis.
- The for-sale demand analysis accounts for the total number of households within the PMA, then breaks down this figure by the percentage of households that could afford particular home prices that fall within several different price segments.
- The analysis then applies the percentage of existing homes that currently own, along with the percentage of owned homes that turnover on an annual basis.
- Lastly, the analysis accounts for the percentage of households that would choose to live in an attached, multifamily-style building, and then applies a subject site capture—which similarly to the rental demand, is based upon our existing knowledge of similar product types in similar markets.

### Summary of Annual Owner Demand for Subject Site 8-mile Radius from Subject Site 2013-2018

AGE AND INCOME	AFFORDABLE HOME PRICE <sup>1</sup>	TOTAL HHs <sup>2</sup>	% INCOME QUALIFIED	% OWNERS <sup>3</sup>	% OF OWNERS IN TURNOVER <sup>3</sup>	DEMAND FROM EXISTING OWNERS	% CHOOSE MF <sup>3</sup>	% SUBJECT SITE CAPTURE	CAPTURE
<b>SUMMARY OF DEMAND BY AGE GROUP</b>									
UNDER 34		10,524	16%	67%	12%	831	5%	44%	7
35 - 54		37,988	59%	67%	11%	2,800	1%	42%	9
65 AND OVER		15,359	24%	64%	6%	960	5%	61%	20
<b>TOTAL</b>		<b>63,871</b>				<b>4,591</b>	<b>4%</b>	<b>49%</b>	<b>36</b>
<b>SUMMARY OF DEMAND BY HOME PRICE RANGE</b>									
UNDER \$75,000	UNDER \$270,000	34,087	53%	52%	14%	2,481	4%	18%	17
\$75,000 - \$100,000	\$270,000 - \$350,000	9,056	14%	69%	10%	625	4%	37%	6
\$100,000 - \$150,000	\$350,000 - \$510,000	11,586	18%	87%	9%	874	4%	53%	7
\$150,000 - \$200,000	\$510,000 - \$680,000	5,497	9%	91%	9%	442	4%	58%	4
\$200,000 AND OVER	\$680,000 AND OVER	3,645	6%	95%	5%	168	4%	78%	2
<b>TOTAL ANNUAL DEMAND</b>		<b>63,871</b>				<b>4,591</b>			<b>36</b>
<b>TOTAL 4-YEAR DEMAND</b>									<b>144</b>

Source: American Community Survey 2010-2012 PUMS; ESRI

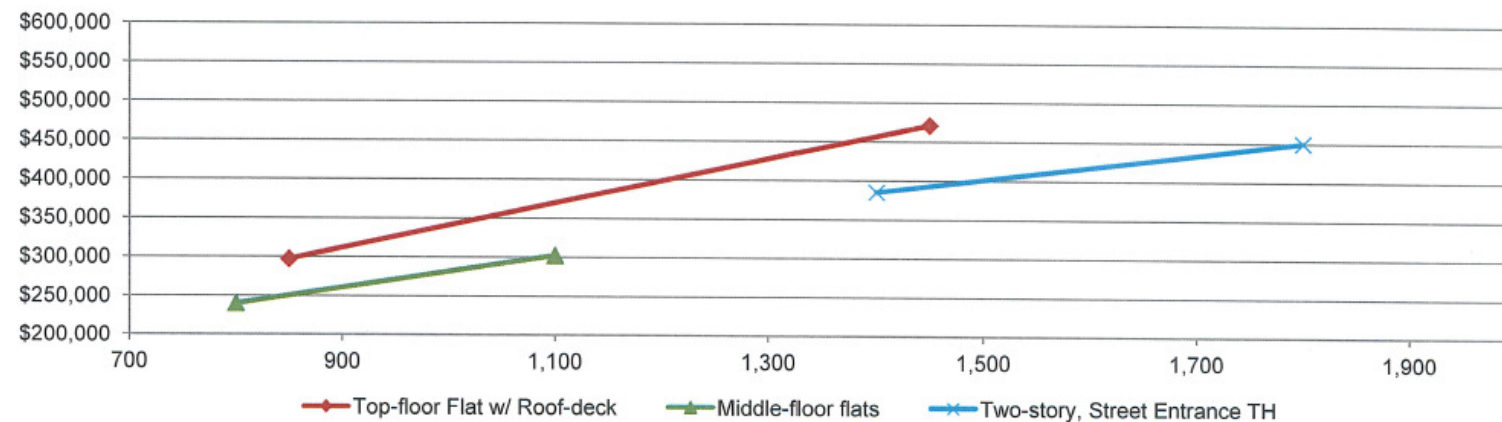
## For-Sale Recommendations

Similarly to the rental product, we hypothesize that phasing the for-sale product is the best way to capture available demand, while mitigating development risk. The program for the for-sale product will offer units, such as the two-story, street entrance townhomes and middle-floor

flats, that are priced consistently with newly-built stock within the Middletown area. However, the subject site could also offer a number of top-floor units with roof deck views and top-line finishes that should be able to achieve higher pricing.

### Proposed For-Sale Program

PRODUCT	# UNITS	% OF TOTAL	TARGET AUDIENCE	BASE PRICE RANGE	SIZE RANGE	PRICE PSF	AVG. UPGRADE PERCENT	AVG. PRICE RANGE	ANNUAL ABSORPTION POTENTIAL
Top-floor Flat w/ Roof-deck 1B+D, 2B, 2B+D	14	33%	Empty Nesters, Young Professionals	\$297,500-\$471,250	850- 1,450	\$325-\$350	15%	\$340,000-\$540,000	6 - 10
Middle-floor flats 1BR, 2BR	14	33%	Young professionals, Mature Singles, Seasonal	\$240,000-\$302,500	800- 1,100	\$275-\$300	8%	\$260,000-\$330,000	8 - 10
Two-story, Street Entrance TH 2B+Office, 3B	14	33%	Empty Nesters, Couples & Young Families	\$385,000-\$450,000	1,400- 1,800	\$250-\$275	10%	\$420,000-\$500,000	8 - 10
<b>Total</b>	<b>42</b>	<b>100%</b>							<b>22 - 30</b>



Source: RCLCO



## For-Sale Recommendations

- The for-sale product should engage downtown Middletown while also providing a sense of privacy from the street. The new project in Playa Vista, CA is an example of a dense development that engages the exterior environment while maintaining a sense of privacy. This balance between the exterior and interior is key to attracting a more mature demographic.
- Other, innovative for-sale projects have also experimented with the configuration and sizes floorplans in order to achieve the desired density, while maintaining the “open” feel that homebuyers desire. Monocacy Park, pictured below, offers four-level townhomes, ranging between 14'-16' in width, and successfully maintains a degree of openness and space within each unit.

***Fountainview at Gonda Westside  
Playa Vista, CA***



*Source: Playa Vista*

***Monocacy Park Townhomes  
Frederick, MD***



*Source: Monocacy Park*

## Project Phasing

As mentioned, strategic phasing of the project's residential components are necessary in order to ensure the success of the project. Especially in markets where the depth of demand can be somewhat tight, it is important to develop the product in an incremental fashion as to capture the available demand, while also building enough density as to create a

viable "sense of place." The following chart illustrates a feasible phasing plan for the subject site, and accounts for the site's two primary market segments, along with product type:

*Proposed Phasing of Rental and For-Sale Product*

Year	1	2	3	4	5	Total
<b>For-Rent</b>						
<b>Young Professionals</b>						
Phase I.		75 - 100 units				
Phase II.				50 - 60 units		
<b>Empty Nesters</b>						
Phase I.		50 - 75 units				
Phase II.				50 - 60 units		
<b>Total</b>		125 - 175 units			100 - 120 units	225 - 295 Units
<b>For-Sale</b>						
<b>Young Professionals</b>						
Phase I.		25 - 40 units				
Phase II.				25 - 40 units		
<b>Empty Nesters</b>						
Phase I.		25 - 40 units				
Phase II.				25 - 40 units		
<b>Total</b>		50 - 80 units			50 - 80 units	100 - 160 Units

Source: RCLCO

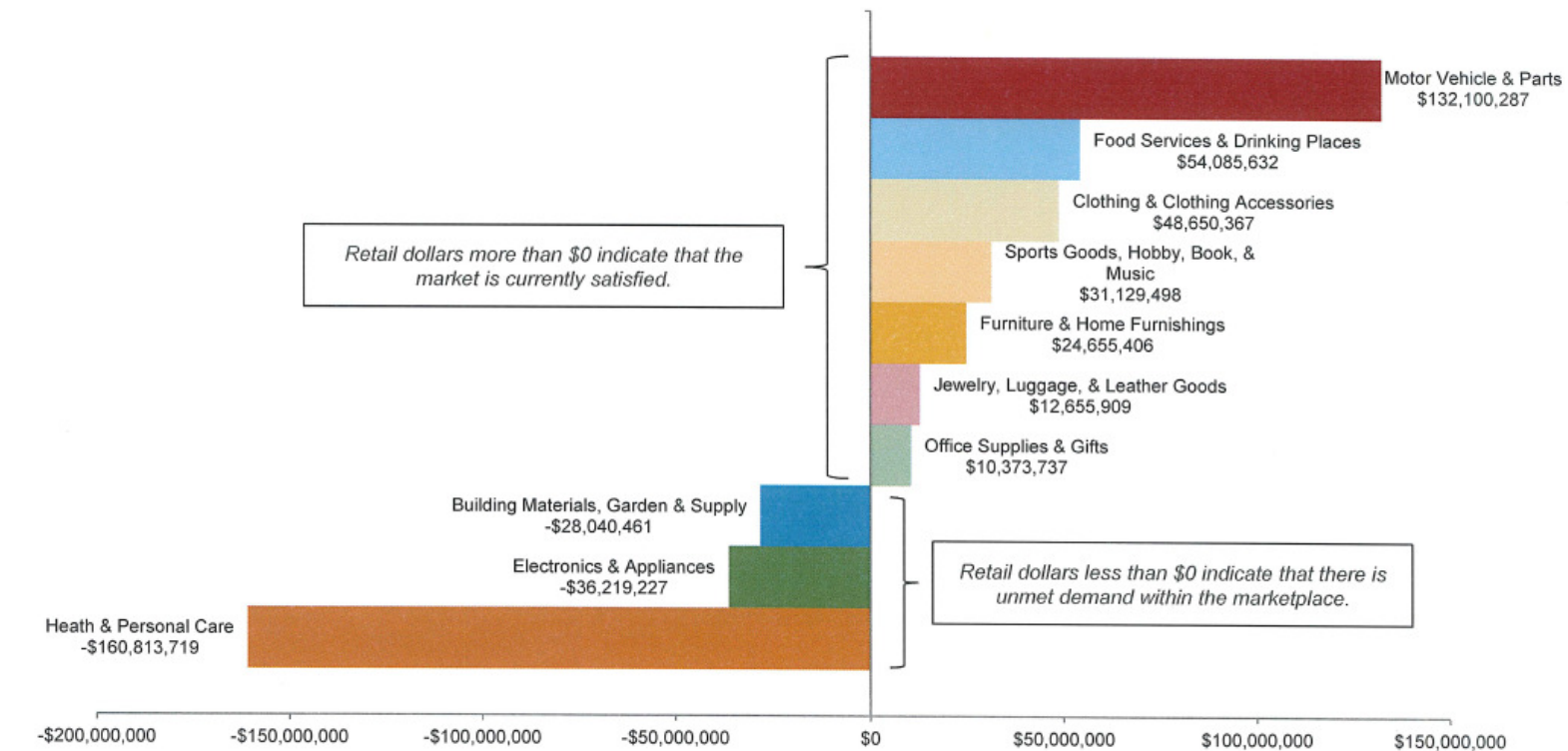


## Retail Opportunity

The analysis suggests that an opportunity does in fact exist within the existing marketplace for retail space. The primary retail types that are currently not being met within a 8-mile ring of the subject site include health and personal care, electronics and appliance, and building materials, garden, and supply. Also, it is important to recognize that,

although there are fewer people within several miles of the subject site when compared to Blueback Square, the subject site trade area has a similar economic and demographic profile—which may suggest that a greater retail opportunity may be viable as the project gains momentum.

### Retail Demand and Leakage; 8-mile Ring from Subject Site 2013



Source: ESRI

## Critical Assumptions

Our conclusions are based on our analysis of the information available from our own sources and from the client as of the date of this report. We assume that the information is correct, complete, and reliable.

We made certain assumptions about the future performance of the global, national, and local economy and real estate market, and on other factors similarly outside either our control or that of the client. We analyzed trends and the information available to us in drawing these conclusions. However, given the fluid and dynamic nature of the economy and real estate markets, as well as the uncertainty surrounding particularly the near-term future, it is critical to monitor the economy and markets continuously and to revisit the aforementioned conclusions periodically to ensure that they are reflective of changing market conditions.

We assume that the economy and real estate markets will grow at a stable and moderate rate to 2020 and beyond. However, stable and moderate growth patterns are historically not sustainable over extended periods of time, the economy is cyclical, and real estate markets are typically highly sensitive to business cycles. Further, it is very difficult to predict when an economic and real estate upturn will end.

With the above in mind, we assume that the long term average absorption rates and price changes will be as projected, realizing that most of the time performance will be either above or below said average rates.

Our analysis does not consider the potential impact of future economic shocks on the national and/or local economy, and does not consider the potential benefits from major "booms" that may occur. Similarly, the analysis does not reflect the residual impact on the real estate market and the competitive environment of such a shock or boom. Also, it is important to note that it is difficult to predict changing consumer and market psychology.

As such, we recommend the close monitoring of the economy and the marketplace, and updating this analysis as appropriate.

Further, the project and investment economics should be "stress tested" to ensure that potential fluctuations in revenue and cost assumptions resulting from alternative scenarios regarding the economy and real estate market conditions will not cause failure.

In addition, we assume that the following will occur in accordance with current expectations:

- Economic, employment, and household growth.
- Other forecasts of trends and demographic and economic patterns, including consumer confidence levels.
- The cost of development and construction.
- Tax laws (i.e., property and income tax rates, deductibility of mortgage interest, and so forth).
- Availability and cost of capital and mortgage financing for real estate developers, owners and buyers.
- Competitive projects will be developed as planned (active and future) and that a reasonable stream of supply offerings will satisfy real estate demand.
- Major public works projects occur and are completed as planned.

Should any of the above change, this analysis should be updated, with the conclusions reviewed accordingly (and possibly revised).



## General Limiting Conditions

Reasonable efforts have been made to ensure that the data contained in this study reflect accurate and timely information and are believed to be reliable. This study is based on estimates, assumptions, and other information developed by RCLCO from its independent research effort, general knowledge of the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agent, and representatives or in any other data source used in preparing or presenting this study. This report is based on information that to our knowledge was current as of the date of this report, and RCLCO has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by RCLCO that any of the projected values or results contained in this study will be achieved.

Possession of this study does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co." or "RCLCO" in any manner without first obtaining the prior written consent of RCLCO. No abstracting, excerpting, or summarization of this study may be made without first obtaining the prior written consent of RCLCO. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client without first obtaining the prior written consent of RCLCO. This study may not

be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCO.

## **Appendix: Supporting Exhibits**

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# CENTERPLAN DEVELOPMENT COMPANY, LLC

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## LIST OF EXHIBITS

### I. SITE ANALYSIS

- Exhibit I-1* Map of Subject Site; Middletown, CT; May 2014
- Exhibit I-2* Map of Middletown and Primary Market Area; City of Middletown and 8-Mile Radius around Subject Site; May 2014

### II. ECONOMICS AND DEMOGRAPHICS

- Exhibit II-1* Median Household Income; Middletown, CT; May 2014
- Exhibit II-2* Total Projected Employment Growth; Hartford-West Hartford-East Hartford, CT MSA; 1990-2020
- Exhibit II-3* Projected Employment Growth – Office-Using Space; Hartford-West Hartford-East Hartford, CT MSA; 1990-2020
- Exhibit II-4* Employment by Industry Sector; Middletown, CT; 2013
- Exhibit II-5* Employment by Industry Sector; 8-Mile Radius from Subject Site; 2013
- Exhibit II-6* Household Growth; Hartford-West Hartford-East Hartford, CT MSA; 1990-2020
- Exhibit II-7* Household by Size of Household; Middletown, CT; 2000-2010
- Exhibit II-8* Households by Size of Household; 8-Mile Radius from Subject Site; 2000-2010
- Exhibit II-9* Renter Propensity Trends; Middletown, CT; 1990-2018
- Exhibit II-10* Renter Propensity Trends; 8-Mile Radius from Subject Site; 1990-2018
- Exhibit II-11* Age of Householder by Income; Middletown, CT; 2013

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*Exhibit II-12* Age of Householder by Income; 8-Mile Radius from Subject Site; 2013

*Exhibit II-13* Projected Change in Household Age and Income; Middletown and 8-Mile Radius from Subject Site; 2013-2018

*Exhibit II-14* Change in Age of Householder by Income; Middletown, CT; 2013-2018

*Exhibit II-15* Change in Age of Householder by Income; 8-Mile Radius from Subject Site; 2013-2018

## **III. RESIDENTIAL AND RETAIL**

*Exhibit III-1* Map of REIS For-Rent Submarket; South Hartford; May 2014

*Exhibit III-2* Total Inventory and Vacancy Rates; South Hartford Submarket; 2000-2014

*Exhibit III-3* Net Absorption, Deliveries, and Vacancy Rates; South Hartford Submarket; 2000-2014

*Exhibit III-4* Asking Rents and Vacancy Rates for Class A and Class B/C; South Hartford Submarket; 2000-2014 YTD

*Exhibit III-5* For-Rent Recommendations; Middletown, CT; May 2014

*Exhibit III-6* Select Top-of-Market Analogs; East Region; May 2014

*Exhibit III-7* Map of Comparable For-Rent Communities; Middletown, CT; May 2014

*Exhibit III-8* Summary of Comparable For-Rent Communities; Middletown, CT; May 2014

*Exhibit III-9* Number of Bedrooms for Comparable For-Rent Communities; Middletown, CT; May 2014

*Exhibit III-10* Unit Features for Comparable For-Rent Communities; Middletown, CT; May 2014

*Exhibit III-11* Amenities for Comparable For-Rent Communities; Middletown, CT; May 2014

*Exhibit III-12* Price-to-Size – 1 Bedroom; Middletown, CT; May 2014

*Exhibit III-13* Price-to-Size – 2 Bedroom; Middletown, CT; May 2014



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- Exhibit III-14* Price-to-Size – 2 Bedroom + Den; Middletown, CT; May 2014
- Exhibit III-15* Price-to-Size – 3 Bedroom; Middletown, CT; May 2014
- Exhibit III-16* Map of Planned and proposed Residential Communities; Middletown, CT; May 2014
- Exhibit III-17* Single-Family and Multifamily Building permits; Hartford-West Hartford-East Hartford, CT MSA; 1990-2014 YTD
- Exhibit III-18* Single-Family and Multifamily Building permits; Middlesex County, CT; 1990-2014 YTD
- Exhibit III-19* Single-Family and Multifamily Building permits; Middletown, CT (City); 1990-2014 YTD
- Exhibit III-20* Historical and Projected Median Existing Single-Family Home Price (NAR); Hartford-West Hartford-East Hartford, CT MSA; 1990-2020
- Exhibit III-21* Recommendations for For-Sale Product; Middletown, CT; May 2014
- Exhibit III-22* Map of Actively Selling New Home Communities; Middletown, CT; May 2014
- Exhibit III-23* Summary of Comparable New Home Communities; Middletown, CT; May 2014
- Exhibit III-24* Price-to-Size Relationship of Comparable New Home Communities; Middletown, CT; May 2014
- Exhibit III-25* Map of PUMS Geographies; Middlesex County and South Hartford; 2012
- Exhibit III-26* Distribution of Renters by Income and Rent Paid; Middlesex County and Expanded PMA; 2012
- Exhibit III-27* Distribution of Renters (18-34) by Income and Household Segment; Middlesex County and Expanded PMA; 2012
- Exhibit III-28* Distribution of Renters (18-34) by Income and Household Segment; Middlesex County and Expanded PMA; 2012
- Exhibit III-29* Distribution of Renters (35-75) by Income and Household Segment; Middlesex County and Expanded PMA; 2012
- Exhibit III-30* Distribution of Renters (35-75) by Income and Household Segment; Middlesex County and Expanded PMA; 2012

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- Exhibit III-31* Renter Market Segmentation Matrix – Definitions; 2012
- Exhibit III-32* Renter Market Segmentation Matrix – Current Renters; Middlesex County and South Hartford; 2012
- Exhibit III-33* Renter Market Segmentation Matrix – Renters in Turnover; Middlesex County and South Hartford; 2012
- Exhibit III-34* Profile of Renters by Age Group, Household Segment, and Lifestyle Segment; Middlesex County and South Hartford; 2012
- Exhibit III-35* Renter Category by Number of Bedrooms; Middlesex County and South Hartford; 2012
- Exhibit III-36* Profile of Owners by Age Group, Household Segment, and Household Income; Middlesex County and South Hartford; 2012
- Exhibit III-37* Profile of Owners by Age Group, Household Segment, and Home Value; Middlesex County and South Hartford; 2012
- Exhibit III-38* Annual For-Rent Residential Demand from Existing and New Households; 8-Mile Radius from Subject Site; 2013-2018
- Exhibit III-39* Annual For-Sale Residential Demand from Existing and New Households; 8-Mile Radius from Subject Site; 2013-2018
- Exhibit III-40* Potential Phasing Plan for Residential Product; Subject Site; May 2014
- Exhibit III-41* Retail Surplus & Leakage; 8-Mile Radius from Subject Site; 2013
- Exhibit III-42* Economic and Demographic Comparison; 3-Mile Radius from Subject Site and Blueback Square – West Hartford; 2013-2018
- Exhibit III-43* Economic and Demographic Comparison; 8-Mile Radius from Subject Site; 2013-2018



# CENTERPLAN DEVELOPMENT COMPANY, LLC

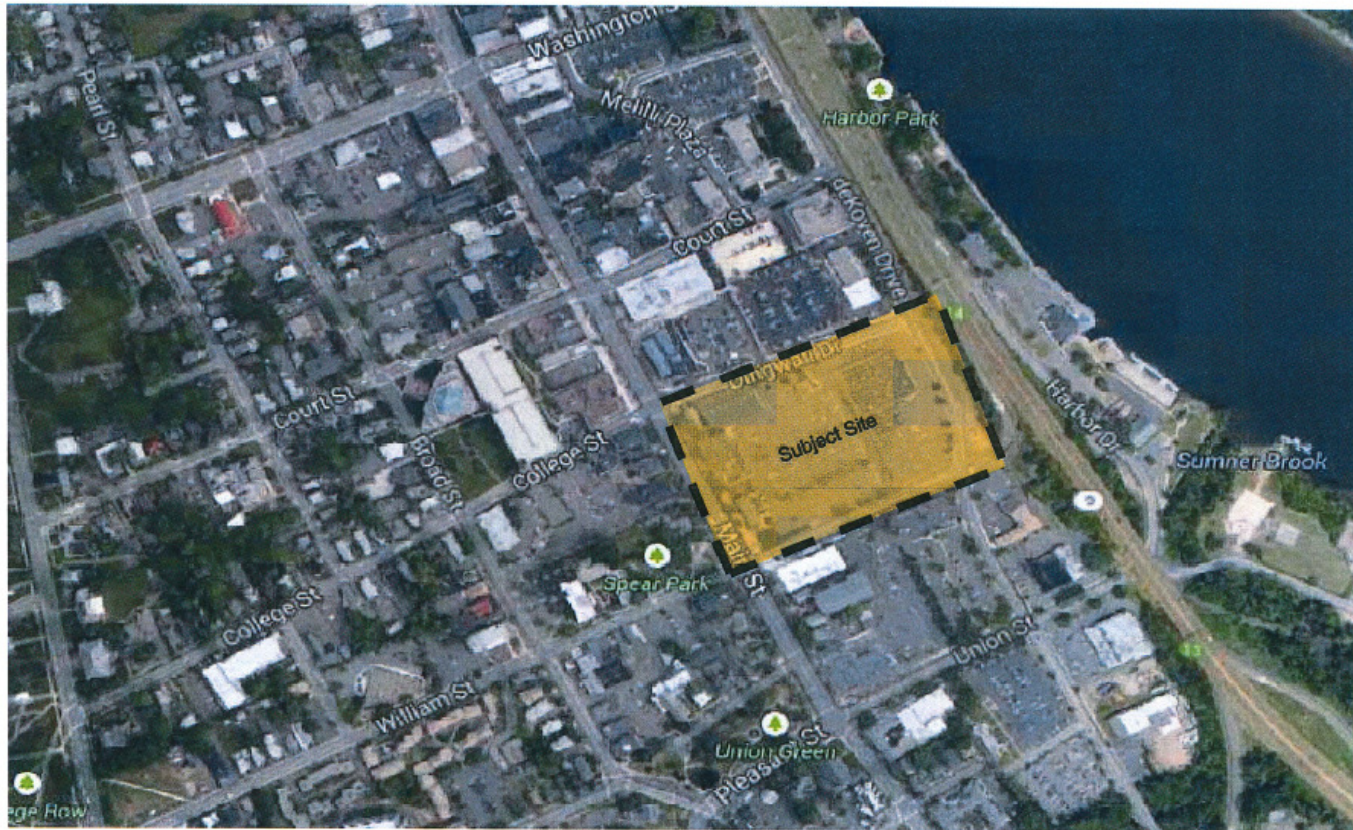
## **I. SITE ANALYSIS**

# CENTERPLAN DEVELOPMENT COMPANY, LLC

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*Exhibit I-1*

MAP OF SUBJECT SITE  
MIDDLETOWN, CT  
MAY 2014



SOURCE: RCLCO

**RCLCO**  
ROBERT CHARLES LESSER & CO.

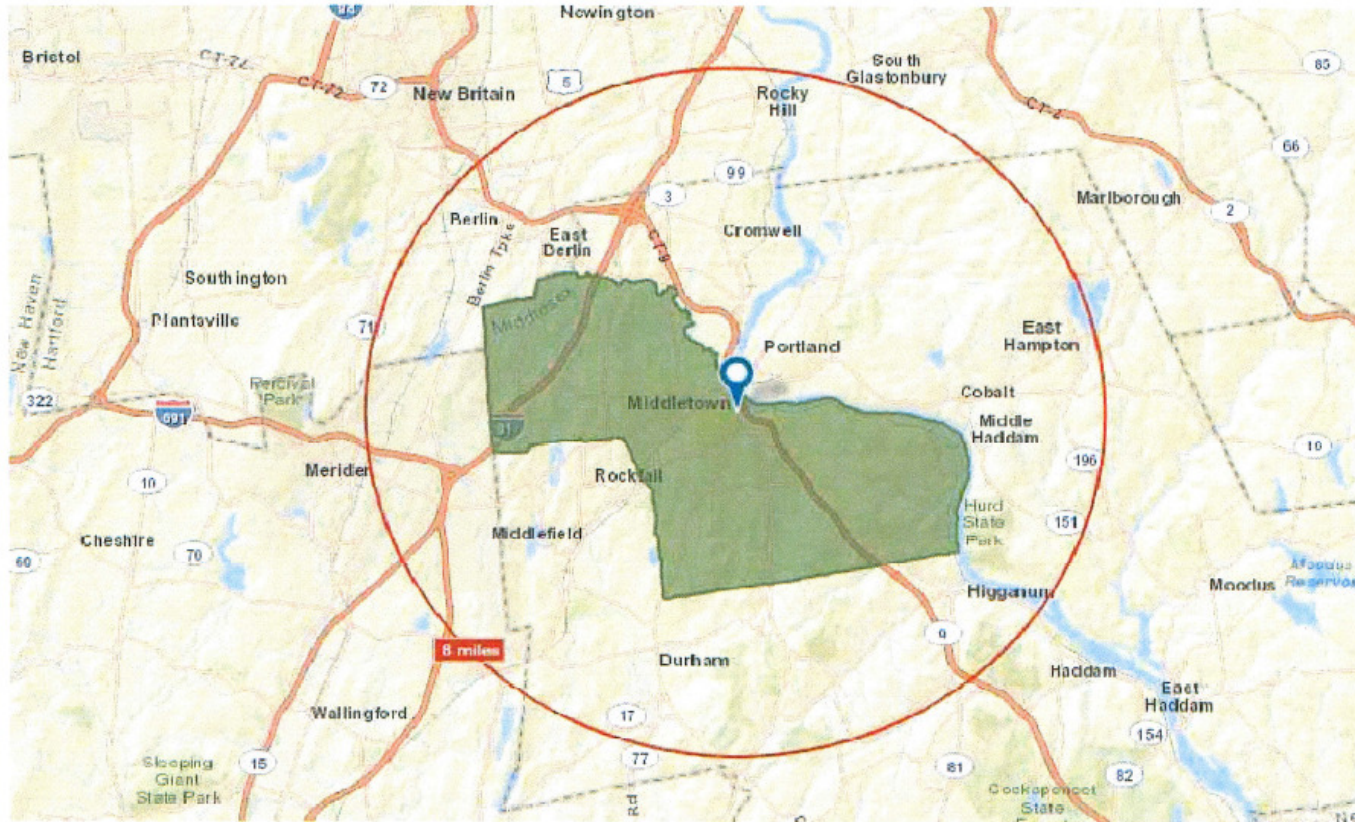
*Exhibit I-1*  
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Printed: 7/15/2014



# CENTERPLAN DEVELOPMENT COMPANY, LLC

*Exhibit I-2*

MAP OF MIDDLETOWN AND PRIMARY MARKET AREA  
CITY OF MIDDLETOWN & 8-MILE RING AROUND SUBJECT SITE  
MAY 2014



SOURCE: ESRI; RCLCO



# CENTERPLAN DEVELOPMENT COMPANY, LLC

## **II. ECONOMICS AND DEMOGRAPHICS**

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-1

MEDIAN HOUSEHOLD INCOME  
MIDDLETOWN, CT  
MAY 2014



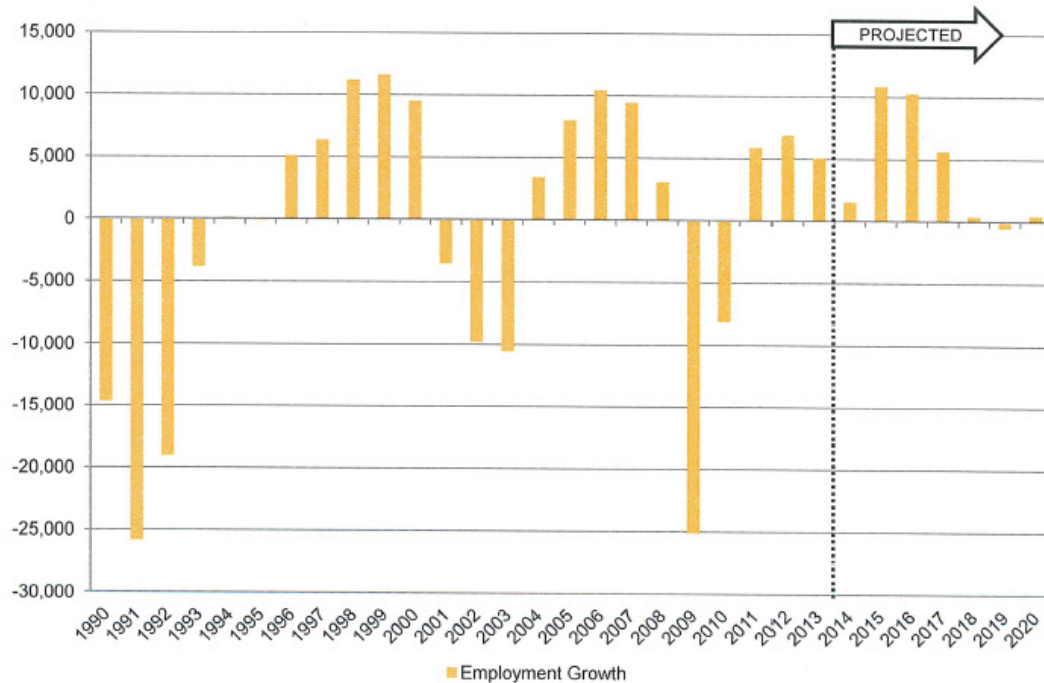
★ SUBJECT SITE

SOURCE: ESRI

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-2

## TOTAL PROJECTED EMPLOYMENT GROWTH HARTFORD-WEST HARTFORD-EAST HARTFORD, CT MSA 1990-2020



YEAR	TOTAL EMPLOYMENT	CAGR
1990	635,343	
1995	586,747	-1.58%
2000	630,746	1.46%
2005	618,461	-0.39%
2010	608,339	-0.33%
2015	638,673	0.98%
2020	655,122	0.51%

AVG. ANNUAL GROWTH	
1990-2000	-460
2000-2010	-2,241
2010-2020	4,678

EMPLOYMENT GROWTH FORECAST	
	Moody's
2013	5,113
2014	1,576
2015	10,856
2016	10,315
Total	27,859

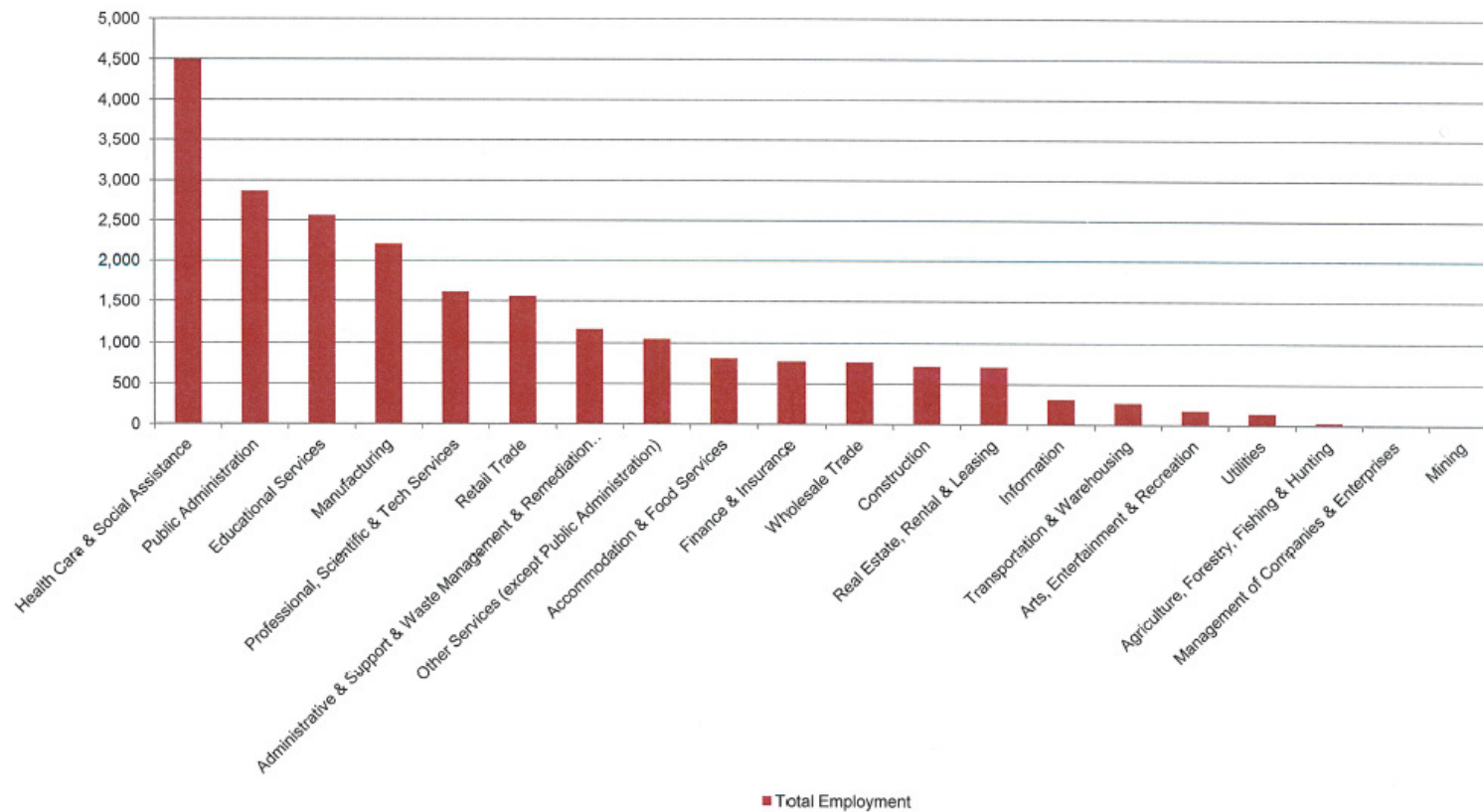
SOURCE: Moody's Analytics; BLS



# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-4

## EMPLOYMENT BY INDUSTRY SECTOR MIDDLETOWN, CT 2013

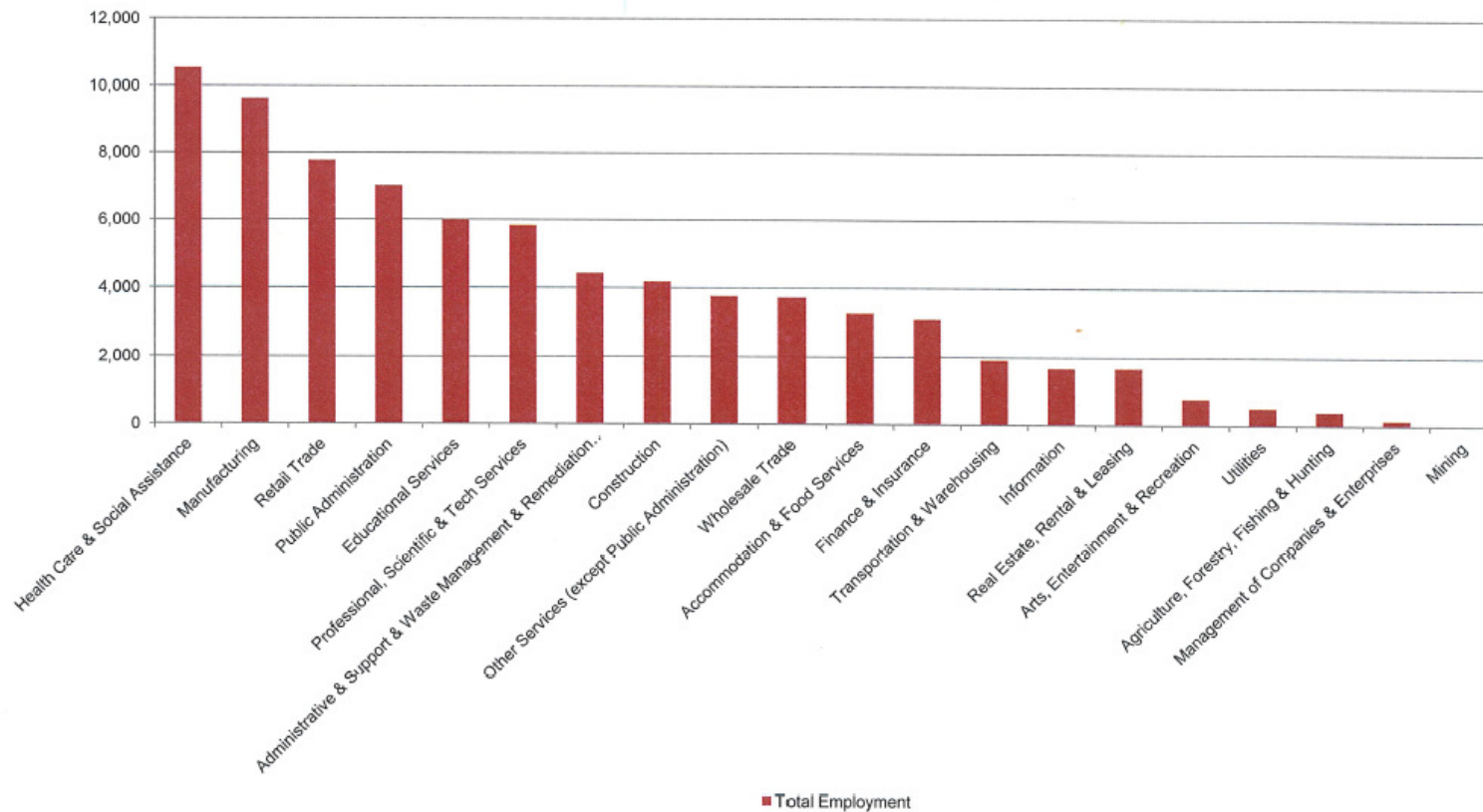


SOURCE: Esri; Census LED

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-5

## EMPLOYMENT BY INDUSTRY SECTOR 8-MILE RING FROM SUBJECT SITE 2013

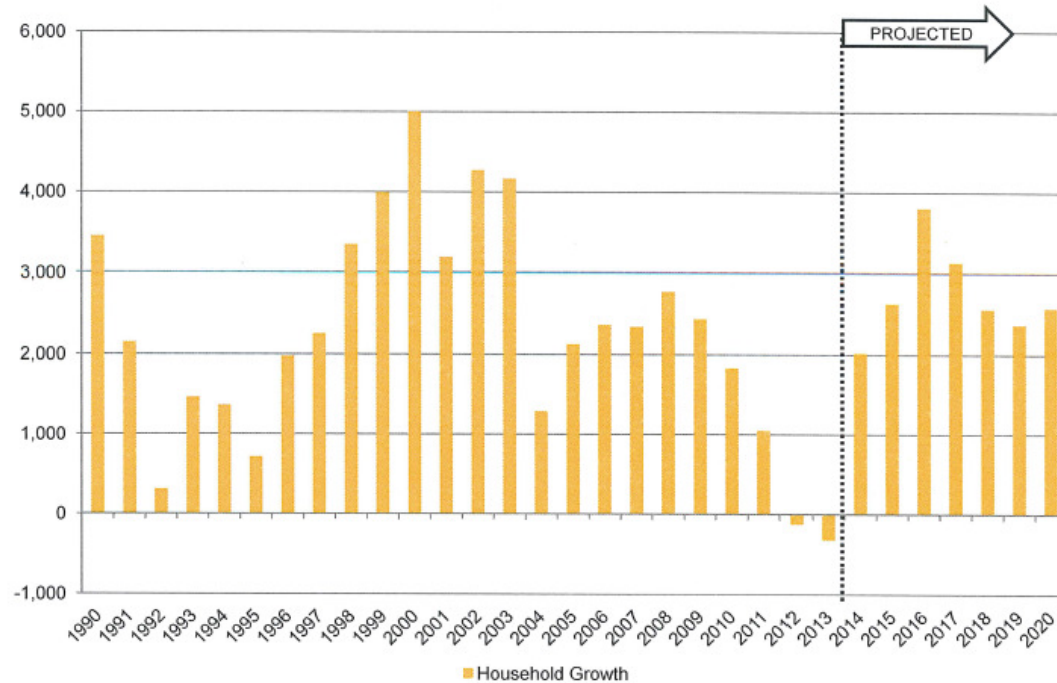


SOURCE: Esri; Census LED

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-6

## HOUSEHOLD GROWTH HARTFORD-WEST HARTFORD-EAST HARTFORD, CT MSA 1990-2020



YEAR	TOTAL HOUSEHOLDS	CAGR
1990	424,165	
1995	430,158	0.28%
2000	446,738	0.76%
2005	461,770	0.66%
2010	473,459	0.50%
2015	478,693	0.22%
2020	493,098	0.59%

AVG. ANNUAL GROWTH	
1990-2000	2,257
2000-2010	2,672
2010-2020	1,964

Moody's is projecting annual regional household growth of between 2,000 and 3,800 through 2020, which is in-line with averages between 1990 and 2010

SOURCE: Moody's Analytics

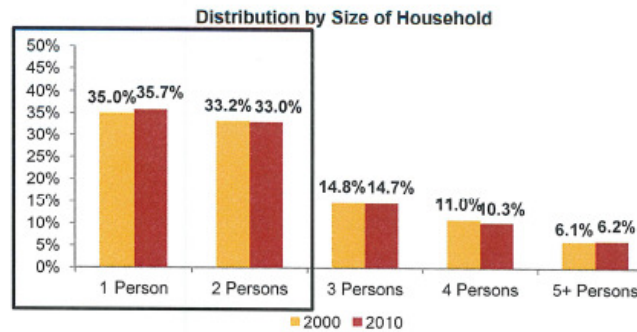
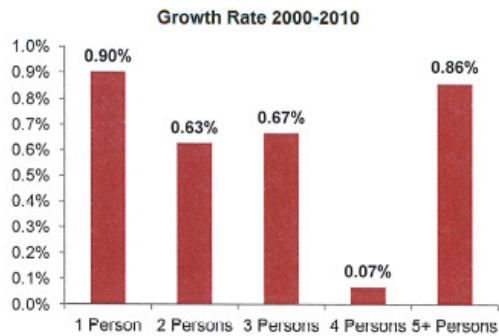


# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-7

## HOUSEHOLDS BY SIZE OF HOUSEHOLD MIDDLETOWN, CT 2000-2010

SIZE	2000		2010		CHANGE 2000-2010	
	#	%	#	%	#	%
1 Person	6,491	35.0%	7,100	35.7%	609	0.90%
2 Persons	6,157	33.2%	6,554	33.0%	397	0.63%
3 Persons	2,740	14.8%	2,928	14.7%	188	0.67%
4 Persons	2,037	11.0%	2,051	10.3%	14	0.07%
5+ Persons	1,129	6.1%	1,230	6.2%	101	0.86%
	18,554	100%	19,863	100%	1,309	0.68%



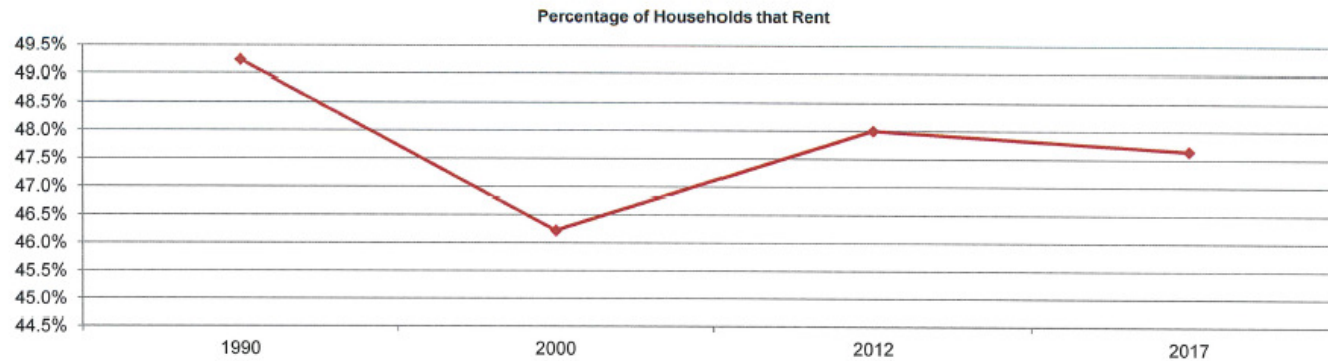
SOURCE: Esri; RCLCO

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-9

## RENTER PROPENSITY TRENDS MIDDLETOWN, CT 1990-2018

	1990		2000			2013			ESRI PROJECTION 2018		
	#	%	#	%	Annual Rate of Change	#	%	Annual Rate of Change	#	%	Annual Rate of Change
Occupied Housing Units	16,827	100.0%	19,863	100.0%	1.67%	20,012	100.0%	0.06%	20,180	100.0%	0.17%
Owner Occupied	8,541	50.8%	10,683	53.8%	2.26%	10,406	52.0%	-0.20%	10,564	52.3%	0.30%
Renter Occupied	8,286	49.2%	9,180	46.2%	1.03%	9,606	48.0%	0.35%	9,616	47.7%	0.02%



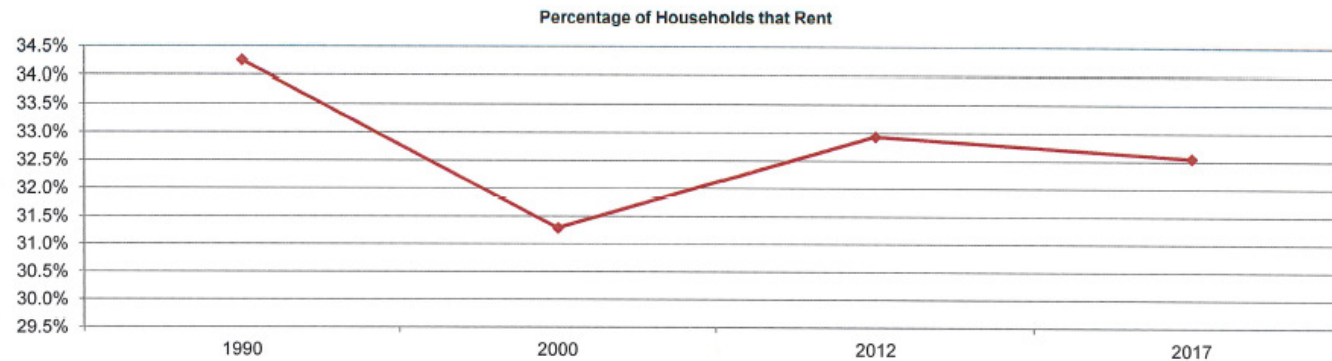
SOURCE: Esri

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit II-10

### RENTER PROPENSITY TRENDS 8-MILE RING FROM SUBJECT SITE 1990-2018

	1990		2000			2013			ESRI PROJECTION 2018		
	#	%	#	%	Annual Rate of Change	#	%	Annual Rate of Change	#	%	Annual Rate of Change
Occupied Housing Units	53,068	100.0%	63,379	100.0%	1.79%	63,869	100.0%	0.06%	64,514	100.0%	0.20%
Owner Occupied	34,885	65.7%	43,546	68.7%	2.24%	42,833	67.1%	-0.13%	43,510	67.4%	0.31%
Renter Occupied	18,183	34.3%	19,833	31.3%	0.87%	21,036	32.9%	0.45%	21,004	32.6%	-0.03%



SOURCE: Esri



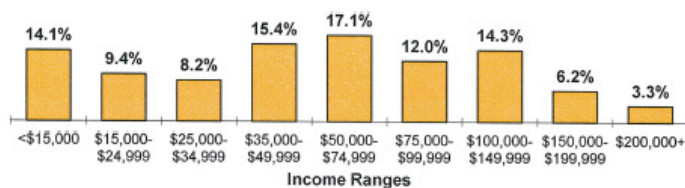
# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-11

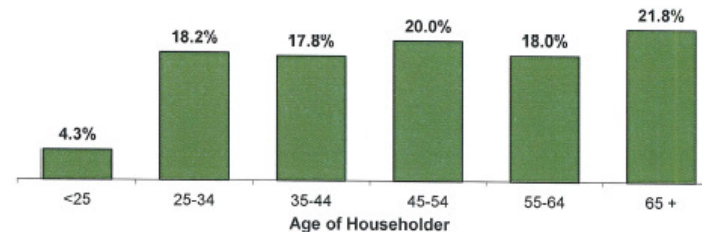
## AGE OF HOUSEHOLDER BY INCOME MIDDLETOWN, CT 2013

INCOME RANGE	<25		25-34		35-44		45-54		55-64		65 +		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Less Than \$15,000	330	38.6%	343	9.4%	318	8.9%	413	10.3%	528	14.7%	894	20.5%	2,826	14.1%
\$15,000 - \$24,999	127	14.8%	279	7.7%	214	6.0%	255	6.4%	265	7.4%	736	16.9%	1,876	9.4%
\$25,000 - \$34,999	63	7.4%	295	8.1%	257	7.2%	250	6.3%	252	7.0%	514	11.8%	1,631	8.2%
\$35,000 - \$49,999	156	18.2%	575	15.8%	506	14.2%	561	14.0%	528	14.7%	755	17.3%	3,081	15.4%
\$50,000 - \$74,999	106	12.4%	810	22.2%	674	18.9%	672	16.8%	575	16.0%	588	13.5%	3,425	17.1%
\$75,000 - \$99,999	45	5.3%	608	16.7%	511	14.4%	513	12.8%	431	12.0%	299	6.9%	2,407	12.0%
\$100,000 - \$149,999	25	2.9%	532	14.6%	608	17.1%	747	18.7%	583	16.2%	360	8.3%	2,855	14.3%
\$150,000 - \$199,999	1	0.1%	154	4.2%	323	9.1%	379	9.5%	258	7.2%	135	3.1%	1,250	6.2%
\$200,000 or more	3	0.4%	49	1.3%	148	4.2%	210	5.3%	175	4.9%	76	1.7%	661	3.3%
<b>TOTAL</b>	<b>856</b>	<b>100%</b>	<b>3,645</b>	<b>100%</b>	<b>3,559</b>	<b>100%</b>	<b>4,000</b>	<b>100%</b>	<b>3,595</b>	<b>100%</b>	<b>4,357</b>	<b>100%</b>	<b>20,012</b>	<b>100%</b>
Percent of Total	4%		18%		18%		20%		18%		22%		100%	

Household Income Distribution



Distribution of Age by Householder



SOURCE: Esri; RCLCO

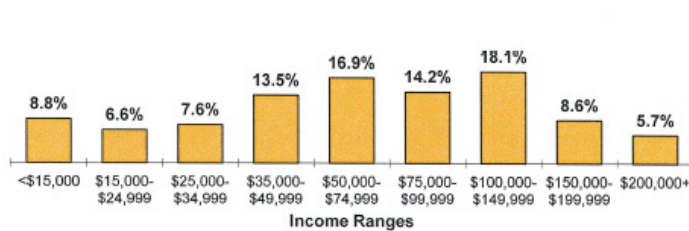
# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit II-12

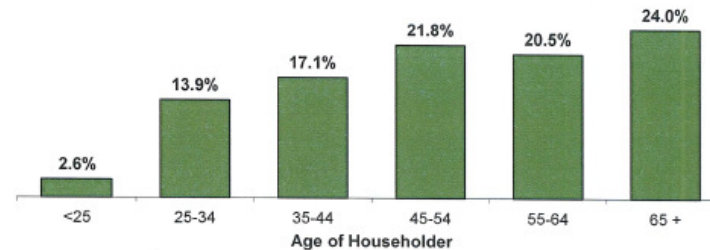
### AGE OF HOUSEHOLDER BY INCOME 8-MILE RING FROM SUBJECT SITE 2013

INCOME RANGE	<25		25-34		35-44		45-54		55-64		65 +		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Less Than \$15,000	500	30.7%	708	8.0%	641	5.9%	791	5.7%	1,034	7.9%	1,926	12.5%	5,600	8.8%
\$15,000 - \$24,999	211	12.9%	557	6.3%	464	4.2%	537	3.9%	593	4.5%	1,831	11.9%	4,193	6.6%
\$25,000 - \$34,999	144	8.8%	702	7.9%	675	6.2%	717	5.1%	821	6.3%	1,807	11.8%	4,866	7.6%
\$35,000 - \$49,999	278	17.0%	1,325	14.9%	1,332	12.2%	1,503	10.8%	1,572	12.0%	2,592	16.9%	8,602	13.5%
\$50,000 - \$74,999	261	16.0%	1,869	21.0%	1,884	17.2%	2,164	15.5%	2,063	15.7%	2,585	16.8%	10,826	16.9%
\$75,000 - \$99,999	131	8.0%	1,554	17.5%	1,739	15.9%	2,076	14.9%	1,938	14.8%	1,618	10.5%	9,056	14.2%
\$100,000 - \$149,999	87	5.3%	1,546	17.4%	2,316	21.2%	3,145	22.6%	2,735	20.8%	1,757	11.4%	11,586	18.1%
\$150,000 - \$199,999	13	0.8%	462	5.2%	1,210	11.1%	1,750	12.6%	1,323	10.1%	739	4.8%	5,497	8.6%
\$200,000 or more	6	0.4%	170	1.9%	680	6.2%	1,240	8.9%	1,045	8.0%	504	3.3%	3,645	5.7%
<b>TOTAL</b>	<b>1,631</b>	<b>100%</b>	<b>8,893</b>	<b>100%</b>	<b>10,941</b>	<b>100%</b>	<b>13,923</b>	<b>100%</b>	<b>13,124</b>	<b>100%</b>	<b>15,359</b>	<b>100%</b>	<b>63,871</b>	<b>100%</b>
Percent of Total	3%		14%		17%		22%		21%		24%		100%	

Household Income Distribution



Distribution of Age by Householder



SOURCE: Esri; RCLCO

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-13

## PROJECTED CHANGE IN HOUSEHOLD AGE AND INCOME MIDDLETOWN AND 8-MILE RADIUS FROM SUBJECT SITE 2013-2018



SOURCE: Esri



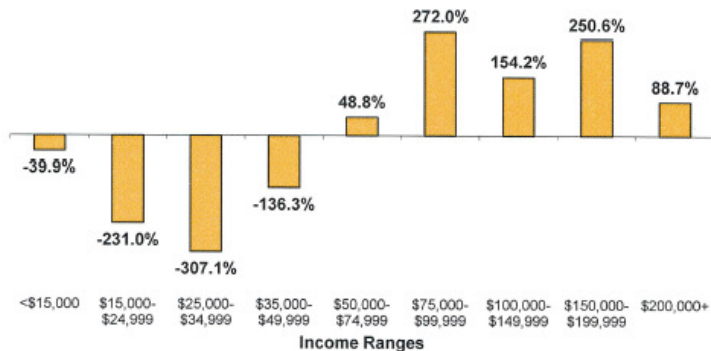
# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit II-14

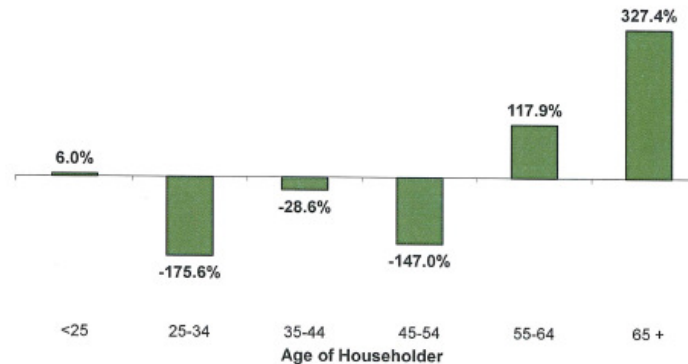
## CHANGE IN AGE OF HOUSEHOLDER BY INCOME MIDDLETOWN, CT 2013-2018

INCOME RANGE	<25		25-34		35-44		45-54		55-64		65 +		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Less Than \$15,000	-5	-50.0%	-39	13.2%	-41	85.4%	-69	27.9%	-17	-8.6%	104	18.9%	-67	-39.9%
\$15,000 - \$24,999	-16	-160.0%	-104	35.3%	-64	133.3%	-78	31.6%	-56	-28.3%	-70	-12.7%	-388	-231.0%
\$25,000 - \$34,999	-15	-150.0%	-124	42.0%	-101	210.4%	-104	42.1%	-83	-41.9%	-89	-16.2%	-516	-307.1%
\$35,000 - \$49,999	5	50.0%	-111	37.6%	-68	141.7%	-101	40.9%	-28	-14.1%	74	13.5%	-229	-136.3%
\$50,000 - \$74,999	18	180.0%	-61	20.7%	-5	10.4%	-54	21.9%	31	15.7%	153	27.8%	82	48.8%
\$75,000 - \$99,999	12	120.0%	40	-13.6%	99	-206.3%	62	-25.1%	104	52.5%	140	25.5%	457	272.0%
\$100,000 - \$149,999	10	100.0%	33	-11.2%	20	-41.7%	-8	3.2%	91	46.0%	113	20.5%	259	154.2%
\$150,000 - \$199,999	0	0.0%	54	-18.3%	83	-172.9%	85	-34.4%	111	56.1%	88	16.0%	421	250.6%
\$200,000 or more	1	10.0%	17	-5.8%	29	-60.4%	20	-8.1%	45	22.7%	37	6.7%	149	88.7%
<b>TOTAL</b>	<b>10</b>	<b>100%</b>	<b>-295</b>	<b>100%</b>	<b>-48</b>	<b>100%</b>	<b>-247</b>	<b>100%</b>	<b>198</b>	<b>100%</b>	<b>550</b>	<b>100%</b>	<b>168</b>	<b>100%</b>
Percent of Total	6%		-176%		-29%		-147%		118%		327%		100%	

Change in Household Income Distribution



Change in Distribution of Age by Householder



SOURCE: Esri; RCLCO

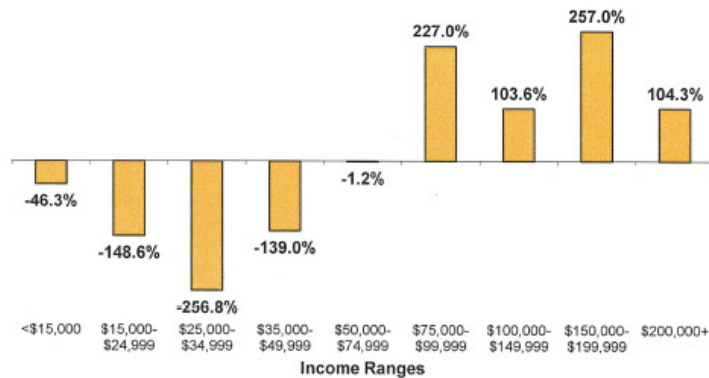
# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit II-15

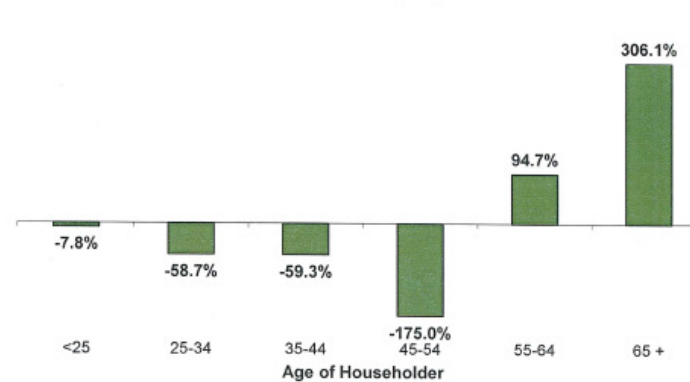
### CHANGE IN AGE OF HOUSEHOLDER BY INCOME 8-MILE RING FROM SUBJECT SITE 2013-2018

INCOME RANGE	<25		25-34		35-44		45-54		55-64		65 +		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Less Than \$15,000	-25	50.0%	-70	18.5%	-99	25.9%	-144	12.8%	-82	-13.4%	122	6.2%	-298	-46.3%
\$15,000 - \$24,999	-25	50.0%	-183	48.4%	-139	36.4%	-179	15.9%	-159	-26.1%	-272	-13.8%	-957	-148.6%
\$25,000 - \$34,999	-37	74.0%	-298	78.8%	-279	73.0%	-322	28.6%	-310	-50.8%	-408	-20.7%	-1,654	-256.8%
\$35,000 - \$49,999	-9	18.0%	-262	69.3%	-228	59.7%	-353	31.3%	-160	-26.2%	117	5.9%	-895	-139.0%
\$50,000 - \$74,999	18	-36.0%	-110	29.1%	-105	27.5%	-296	26.3%	-3	-0.5%	488	24.8%	-8	-1.2%
\$75,000 - \$99,999	15	-30.0%	175	-46.3%	179	-46.9%	57	-5.1%	351	57.5%	685	34.8%	1,462	227.0%
\$100,000 - \$149,999	10	-20.0%	116	-30.7%	-33	8.6%	-207	18.4%	262	43.0%	519	26.3%	667	103.6%
\$150,000 - \$199,999	2	-4.0%	193	-51.1%	237	-62.0%	266	-23.6%	481	78.9%	476	24.2%	1,655	257.0%
\$200,000 or more	1	-2.0%	61	-16.1%	85	-22.3%	51	-4.5%	230	37.7%	244	12.4%	672	104.3%
<b>TOTAL</b>	<b>-50</b>	<b>100%</b>	<b>-378</b>	<b>100%</b>	<b>-382</b>	<b>100%</b>	<b>-1,127</b>	<b>100%</b>	<b>610</b>	<b>100%</b>	<b>1,971</b>	<b>100%</b>	<b>644</b>	<b>100%</b>
Percent of Total	-8%		-59%		-59%		-175%		95%		306%		100%	

Change in Household Income Distribution



Change in Distribution of Age by Householder



SOURCE: Esri; RCLCO

# CENTERPLAN DEVELOPMENT COMPANY, LLC

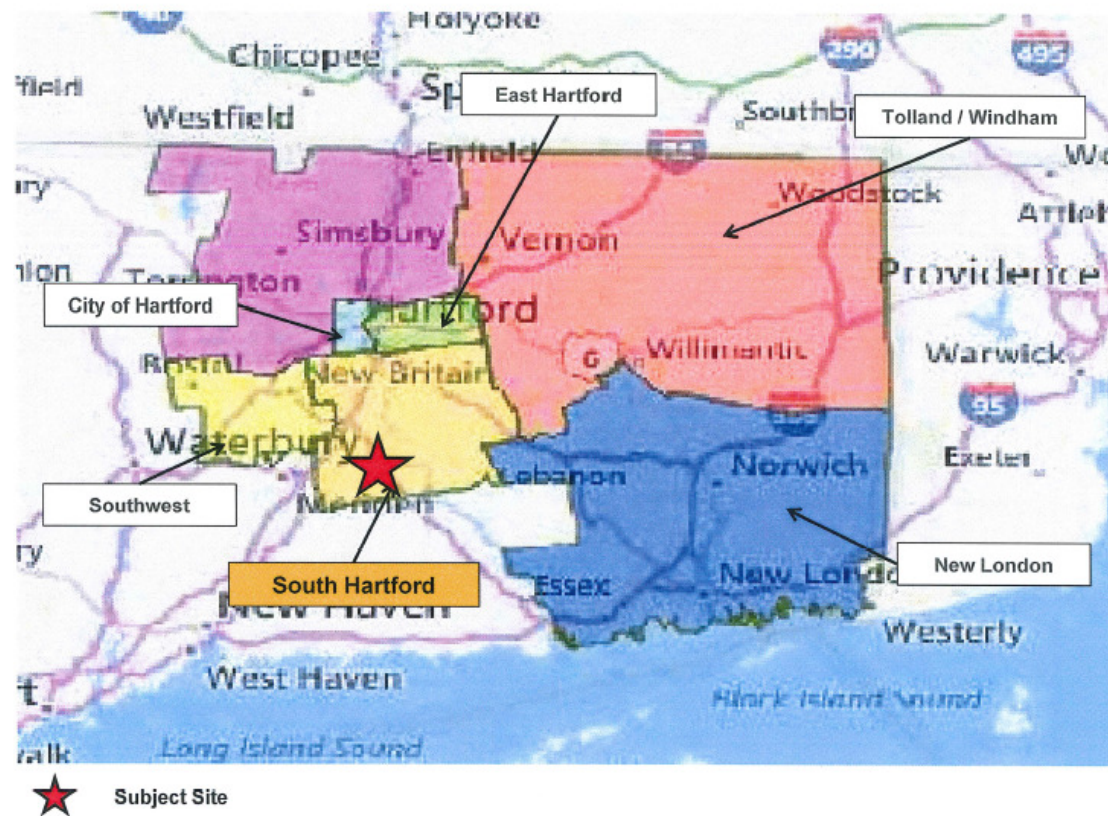
## **III. RESIDENTIAL AND RETAIL**



# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-1

MAP OF REIS FOR-RENT SUBMARKET  
SOUTH HARTFORD  
MAY 2014

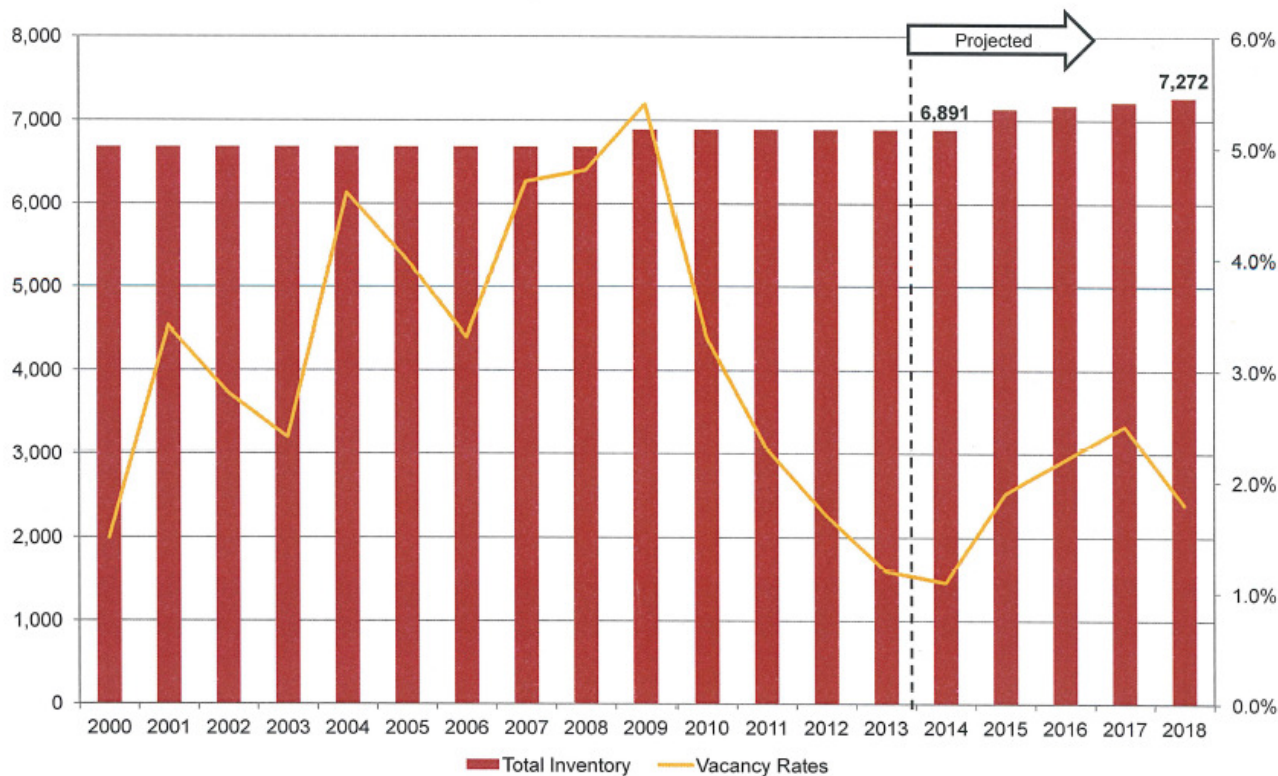


SOURCE: REIS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-2

## TOTAL INVENTORY AND VACANCY RATES SOUTH HARTFORD SUBMARKET 2000-2018

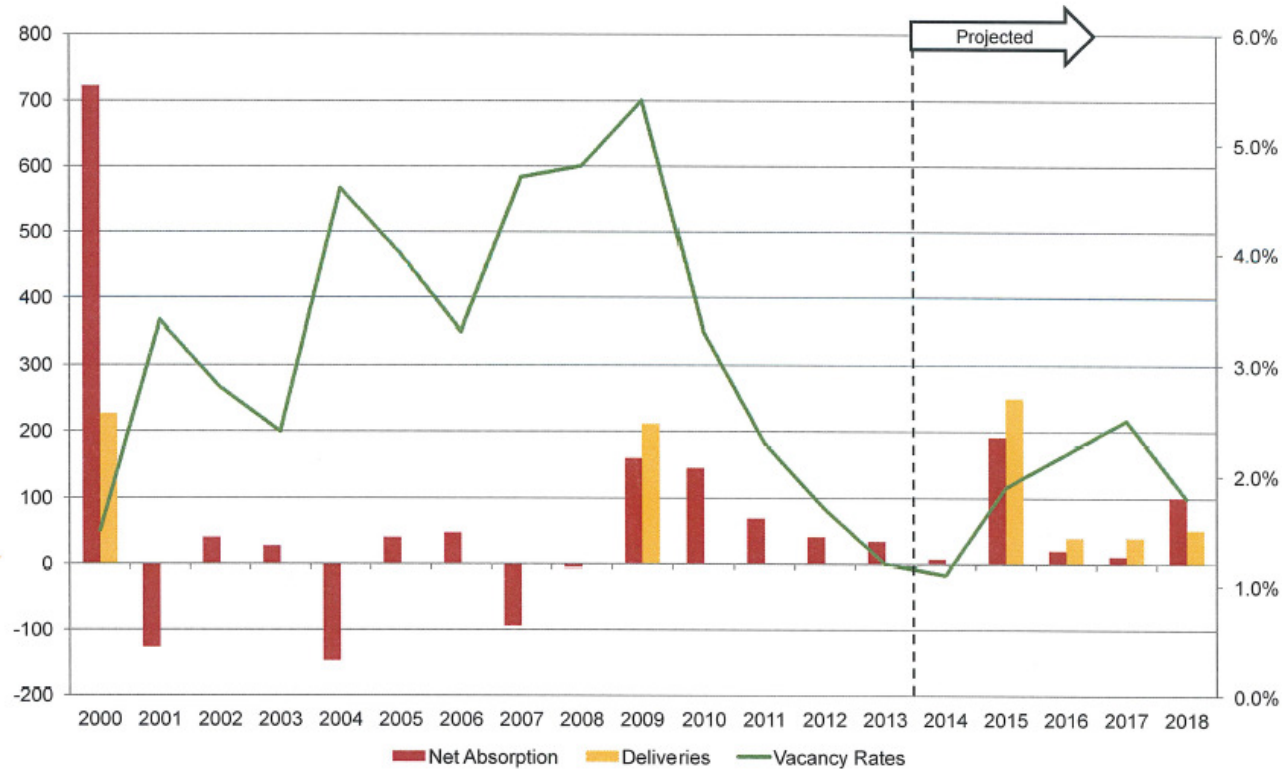


SOURCE: REIS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-3

## NET ABSORPTION, DELIVERIES, AND VACANCY RATES SOUTH HARTFORD SUBMARKET 2000-2018



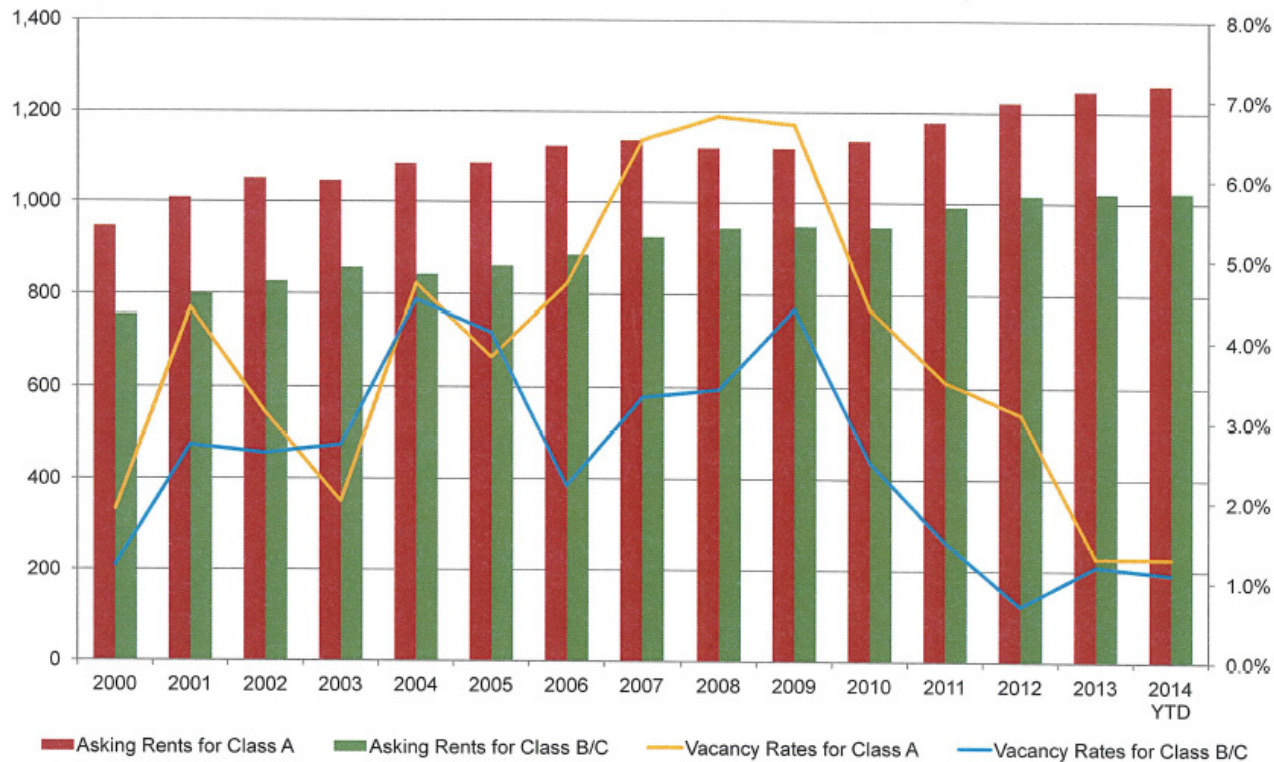
SOURCE: REIS



# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-4

## ASKING RENTS AND VACANCY RATES FOR CLASS A AND CLASS B/C SOUTH HARTFORD SUBMARKET 2000-2014 YTD



SOURCE: REIS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-5

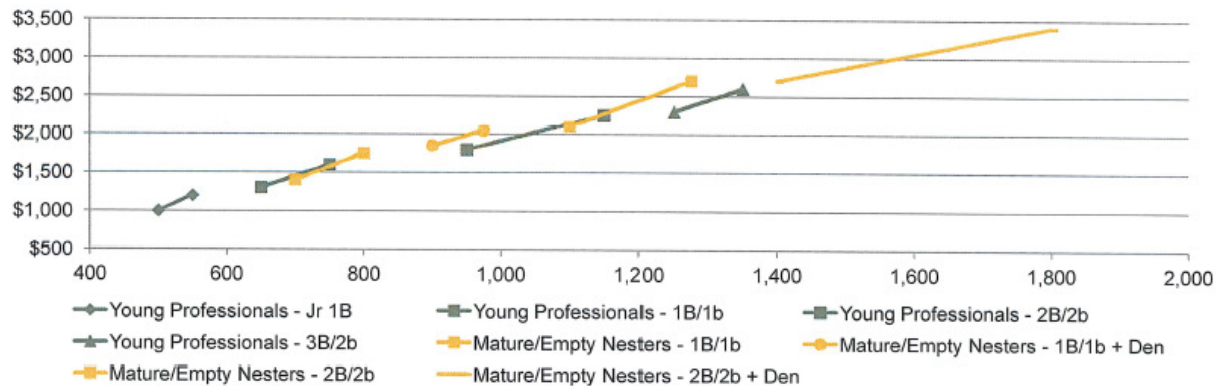
## FOR-RENT RECOMMENDATIONS MIDDLETOWN, CT MAY 2014

### YOUNG PROFESSIONALS

Unit Type	No. Units	% of Total	Size Range	Avg. Size	Rent Range	Avg. Rent	\$/SF Range	Avg. \$/SF
Jr 1B	25	15%	500 - 550	525	\$1,000 - \$1,200	\$1,100	\$2.00 - \$2.18	\$2.10
1B/1b	50	30%	650 - 750	700	\$1,300 - \$1,600	\$1,450	\$2.00 - \$2.13	\$2.07
2B/2b	83	50%	950 - 1,150	1,050	\$1,800 - \$2,250	\$2,025	\$1.89 - \$1.96	\$1.93
3B/2b	8	5%	1,250 - 1,350	1,300	\$2,300 - \$2,600	\$2,450	\$1.84 - \$1.93	\$1.88
<b>Total/Avg.</b>	<b>165</b>	<b>100%</b>		<b>879</b>		<b>\$1,735</b>		<b>\$1.97</b>

### MATURE/EMPTY NESTERS

Unit Type	No. Units	% of Total	Size Range	Avg. Size	Rent Range	Avg. Rent	\$/SF Range	Avg. \$/SF
1B/1b	25	20%	700 - 800	750	\$1,400 - \$1,750	\$1,575	\$2.00 - \$2.19	\$2.10
1B/1b + Den	31	25%	900 - 975	938	\$1,850 - \$2,050	\$1,950	\$2.06 - \$2.10	\$2.08
2B/2b	56	45%	1,100 - 1,275	1,188	\$2,100 - \$2,700	\$2,400	\$1.91 - \$2.12	\$2.02
2B/2b + Den	13	10%	1,400 - 1,800	1,600	\$2,700 - \$3,400	\$3,050	\$1.93 - \$1.89	\$1.91
<b>Total/Avg.</b>	<b>125</b>	<b>100%</b>		<b>1,079</b>		<b>\$2,188</b>		<b>\$2.03</b>



SOURCE: RCLCO

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-6

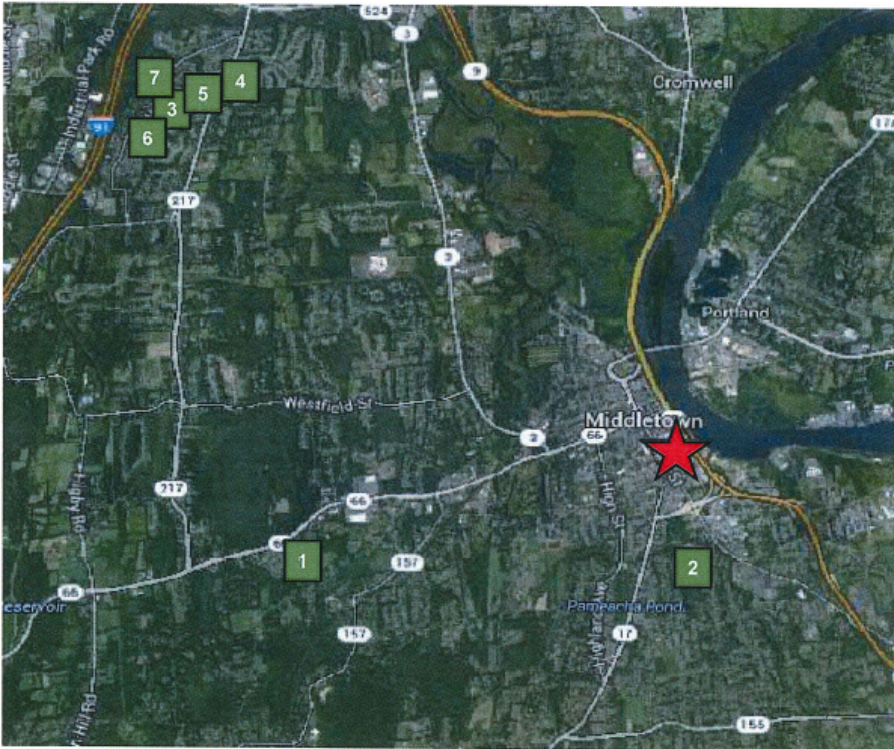
### SELECT TOP-OF-MARKET ANALOGS EAST REGION MAY 2014

Market	Property	Year Built	Product Type	Price	Avg. Price	Size	Avg. Size	\$/PSF	Wtd. \$/PSF	% Premium
<b>West Windsor, NJ</b>										
	Princeton Terrace	2012	Garden	\$2,250 - \$2,495	\$2,373	1,860 - 1,970	1,915	\$1.27 - \$1.21	\$1.25	
	Mews at Princeton Junction*	2006	Garden	\$1,950 - \$2,435	\$2,193	1,126 - 1,404	1,265	\$1.73 - \$1.73	\$1.73	
										38.4%
<b>Morristown, NJ</b>										
	Alexan Riverdale	2010	Garden	\$1,940 - \$2,945	\$2,443	732 - 1,301	1,017	\$2.26 - \$2.65	\$2.49	
	Metropolitan at 40 Park	2010	Mid-Rise	\$2,451 - \$4,008	\$3,230	756 - 1,292	1,024	\$3.10 - \$3.24	\$3.19	
										28.1%
<b>Hanover, MD</b>										
	The Arbors at Arundel Preserve	2007	Urban Garden	\$1,266 - \$2,395	\$1,831	635 - 1,294	965	\$1.85 - \$1.99	\$1.93	
	The Palisades at Arundel Preserve	2013	High-Rise	\$1,475 - \$3,000	\$2,238	546 - 1,461	1,004	\$2.05 - \$2.70	\$2.40	
										24.4%
<b>Waltham, MA</b>										
	Cloverleaf Apartments	2008	Mid-Rise	\$1,500 - \$2,300	\$1,900	618 - 1,030	824	\$2.23 - \$2.43	\$2.36	
	Watch Factory Lofts	2012	Mid-Rise	\$1,641 - \$3,295	\$2,468	489 - 1,298	894	\$2.54 - \$3.36	\$2.91	
										23.3%
<b>Average % Premium</b>										<b>28.5%</b>
<b>Top-of-Market for Middletown, CT</b>										<b>\$1.51</b>
<b>New Top-of-Market Rent Level for Middletown</b>										<b>\$1.94</b>

NOTE: Princeton Terrace only includes 2BR units; analysis only factored in 2BR and 3BR units for Mews at Princeton Junction

SOURCE: RCLCO; Leasing Representatives





# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-8

### SUMMARY OF COMPARABLE FOR-RENT COMMUNITIES MIDDLETOWN, CT MAY 2014

MAP KEY	COMMUNITY	YEAR BUILT	CLASS	TYPE/ FLOOR PLANS	TOTAL UNITS	UNIT MIX	OCC. %	UNIT SIZE RANGE	AVG. SIZE	UNIT ASKING RENT RANGE	AVG. RENT	CONCESSIONS	UNIT EFFECTIVE RENT RANGE	AVG. RENT	EFFECTIVE RENT PER SF RANGE	AVG. RENT/SF
1	Knoll Crest 207 George Street Middletown, CT 06457 860-704-8246	2009	A	Garden 1BR/1Ba 2BR/2Ba	156	60 96	94%	778 - 1,120 778 - 778 1,120 - 1,120	988 778 1,120	\$1,325 - \$1,695 \$1,325 - \$1,385 \$1,645 - \$1,695	\$1,549 \$1,355 \$1,670	1 mo. off 2BR	\$1,325 - \$1,554 \$1,325 - \$1,385 \$1,508 - \$1,554	\$1,463 \$1,355 \$1,531	\$1.35 - \$1.78 \$1.70 - \$1.78 \$1.35 - \$1.39	\$1.51 \$1.74 \$1.37
2	Middletown Ridge 100 Towne Ridge Middletown, CT 06457 860-632-7330	1988	A	Garden 1BR/1Ba 2BR/2Ba 3BR/2Ba	238	90 80 68	95%	582 - 1,452 582 - 827 1,307 - 1,307 1,452 - 1,452	1,121 705 1,307 1,452	\$907 - \$1,750 \$907 - \$1,128 \$1,503 - \$1,503 \$1,740 - \$1,750	\$1,389 \$1,018 \$1,503 \$1,745	No concessions	\$907 - \$1,750 \$907 - \$1,128 \$1,503 - \$1,503 \$1,740 - \$1,750	\$1,389 \$1,018 \$1,503 \$1,745	\$1.15 - \$1.36 \$1.56 - \$1.36 \$1.15 - \$1.15 \$1.20 - \$1.21	\$1.28 \$1.46 \$1.15 \$1.20
3	Chestnut Hill 5 Town Colony Dr. Middletown, CT 06457 877-872-7146	1986	A	Garden 1BR/1Ba 2BR 3BR/2Ba	314	120 120 74	98%	715 - 1,556 715 - 827 950 - 1,129 1,556 - 1,556	1,059 771 1,040 1,556	\$1,145 - \$1,889 \$1,145 - \$1,251 \$1,322 - \$1,409 \$1,857 - \$1,889	\$1,421 \$1,198 \$1,366 \$1,873	No concessions	\$1,145 - \$1,889 \$1,145 - \$1,251 \$1,322 - \$1,409 \$1,857 - \$1,889	\$1,421 \$1,198 \$1,366 \$1,873	\$1.19 - \$1.51 \$1.60 - \$1.51 \$1.39 - \$1.25 1.19344 - \$1.21	\$1.38 \$1.56 \$1.32 \$1.20
4	Town Place Apartments 10 Town Place Middletown, CT 06457 860-635-4777	1987	A	Garden 1BR/1Ba 2BR/2Ba 3BR/2Ba	166	78 62 26	97%	715 - 1,556 715 - 827 950 - 1,129 1,556 - 1,556	994 771 1,040 1,556	\$1,069 - \$1,689 \$1,069 - \$1,249 \$1,299 - \$1,479 \$1,589 - \$1,689	\$1,320 \$1,159 \$1,389 \$1,639	No concessions	\$1,069 - \$1,689 \$1,069 - \$1,249 \$1,299 - \$1,479 \$1,589 - \$1,689	\$1,320 \$1,159 \$1,389 \$1,639	\$1.02 - \$1.51 \$1.50 - \$1.51 \$1.37 - \$1.31 \$1.02 - \$1.09	\$1.37 \$1.50 \$1.34 \$1.05
5	Middletown Brooke 100 Towne Brooke Middletown, CT 06457 866-813-9139	1989	A	Garden 1BR/1Ba 2BR/2Ba	280	130 150	N/A	574 - 1,052 574 - 715 950 - 1,052	835 645 1,001	\$899 - \$1,368 \$899 - \$1,102 \$1,352 - \$1,368	\$1,193 \$1,001 \$1,360	No concessions	\$899 - \$1,368 \$899 - \$1,102 \$1,352 - \$1,368	\$1,193 \$1,001 \$1,360	\$1.42 - \$1.54 \$1.57 - \$1.54 \$1.42 - \$1.30	\$1.45 \$1.55 \$1.36
6	Windshire Terrace 72 Forest Glen Circle Middletown, CT 06457 877-713-6819	2000	A	Garden 2BR/2Ba 2BR + Den	226	180 46	N/A	940 - 1,140 940 - 1,050 1,024 - 1,140	1,013 995 1,082	\$1,270 - \$1,455 \$1,270 - \$1,360 \$1,344 - \$1,455	\$1,332 \$1,315 \$1,400	No concessions	\$1,270 - \$1,455 \$1,270 - \$1,360 \$1,344 - \$1,455	\$1,332 \$1,315 \$1,400	\$1.31 - \$1.30 \$1.35 - \$1.30 \$1.31 - \$1.28	\$1.32 \$1.32 \$1.29
7	Madison Northwoods 1 Dove Ln Middletown, CT 06457 860-632-2261	1987	A	Garden 1BR/1Ba 2BR	336	168 168	98%	719 - 990 719 - 819 837 - 990	841 769 914	\$1,084 - \$1,427 \$1,084 - \$1,312 \$1,284 - \$1,427	\$1,277 \$1,198 \$1,256	No concessions	\$1,084 - \$1,427 \$1,084 - \$1,312 \$1,204 - \$1,427	\$1,277 \$1,198 \$1,396	\$1.51 - \$1.60 \$1.51 - \$1.60 \$1.53 - \$1.44	\$1.52 \$1.55 \$1.49

NOTE: Several Unit Mix numbers based on estimates by local market representatives  
SOURCE: Apartment Community Websites and Leasing Offices

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-9

### NUMBER OF BEDROOMS FOR COMPARABLE FOR-RENT COMMUNITIES MIDDLETOWN, CT MAY 2014

MAP KEY	COMMUNITY	ONE BEDROOM	% ONE BEDROOM	TWO BEDROOM	% TWO BEDROOM	THREE BEDROOM	% THREE BEDROOM	TOTAL UNITS
1	Knoll Crest	60	38%	96	62%	0	0%	156
2	Middletown Ridge	90	38%	80	34%	68	29%	238
3	Chestnut Hill	120	38%	120	38%	74	24%	314
4	Town Place Apartments	78	47%	62	37%	26	16%	166
5	Middletown Brooke	130	46%	150	54%	0	0%	280
6	Windshire Terrace	0	0%	226	100%	0	0%	226
7	Madison Northwoods	168	50%	168	50%	0	0%	336

SOURCE: Apartment Community Websites and Leasing Offices



# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-10

### UNIT FEATURES FOR COMPARABLE FOR-RENT COMMUNITIES MIDDLETOWN, CT MAY 2014

MAP KEY	COMMUNITY	FLOORS	APPLIANCES	COUNTERTOPS	KITCHEN	DISHWASHER & DISPOSAL	IN-UNIT W/D	FURNISHED	FIREPLACE	CEILING FANS	PATIO/ BALCONY	OTHER
1	Knoll Crest	Carpet and Faux hardwood	Electric stove	Granite	Island-configuration	X	X	-	X	-	X	9' ceilings
2	Middletown Ridge	Carpet and ceramic tile	Electric stove	Laminate	Standard	X	-	-	(S)	-	X	Vaulted ceilings (S)
3	Chestnut Hill	Carpet and ceramic tile	Electric stove	Laminate	Standard	X	X	(S)	(S)	-	X	Vaulted ceilings (S)
4	Town Place Apartments	Carpet and ceramic tile	Stainless steel	Laminate	Standard	X	X	(S)	-	-	X	
5	Middletown Brooke	Carpet and ceramic tile	Gas range	Laminate	Standard	X	(S)	-	(S)	-	X	Vaulted ceilings (S); Track lighting (S)
6	Windshire Terrace	Carpet and Faux hardwood	Electric stove	Granite	Standard	X	X	-	X	-	X	Floorplans offer room for dining table
7	Madison Northwoods	Carpet and Laminate	Electric stove	Laminate	Breakfast bars	X	X	(S)	(S)	-	X	Central A/C

NOTE: (S) indicates "in select apartments"

SOURCE: Apartment Community Websites and Leasing Offices

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-11

### AMENITIES FOR COMPARABLE FOR-RENT COMMUNITIES MIDDLETOWN, CT MAY 2014

MAP KEY	COMMUNITY	POOL	CLUBHOUSE	FITNESS CENTER	PLAYGROUND/ PICNIC AREA	PARKING	ON-SITE STORAGE	BUSINESS CENTER	OTHER
1	Knoll Crest	X	X	X	X	Surface	-	-	-
2	Middletown Ridge	X	-	X	-	Surface	X		Racquetball court; On-site laundry
3	Chestnut Hill	X	X	X	X	Surface	-	-	Racquetball court; Tennis court
4	Town Place Apartments	X	X	X	X	Surface	X	-	Dog park
5	Middletown Brooke	-	X	X	X	Covered (Available)	-	-	Dog park
6	Windshire Terrace	X	X	X	X	Surface	-	-	-
7	Madison Northwoods	X	X	X	-	Covered (Available)	-	X	Tanning bed; Nature trails

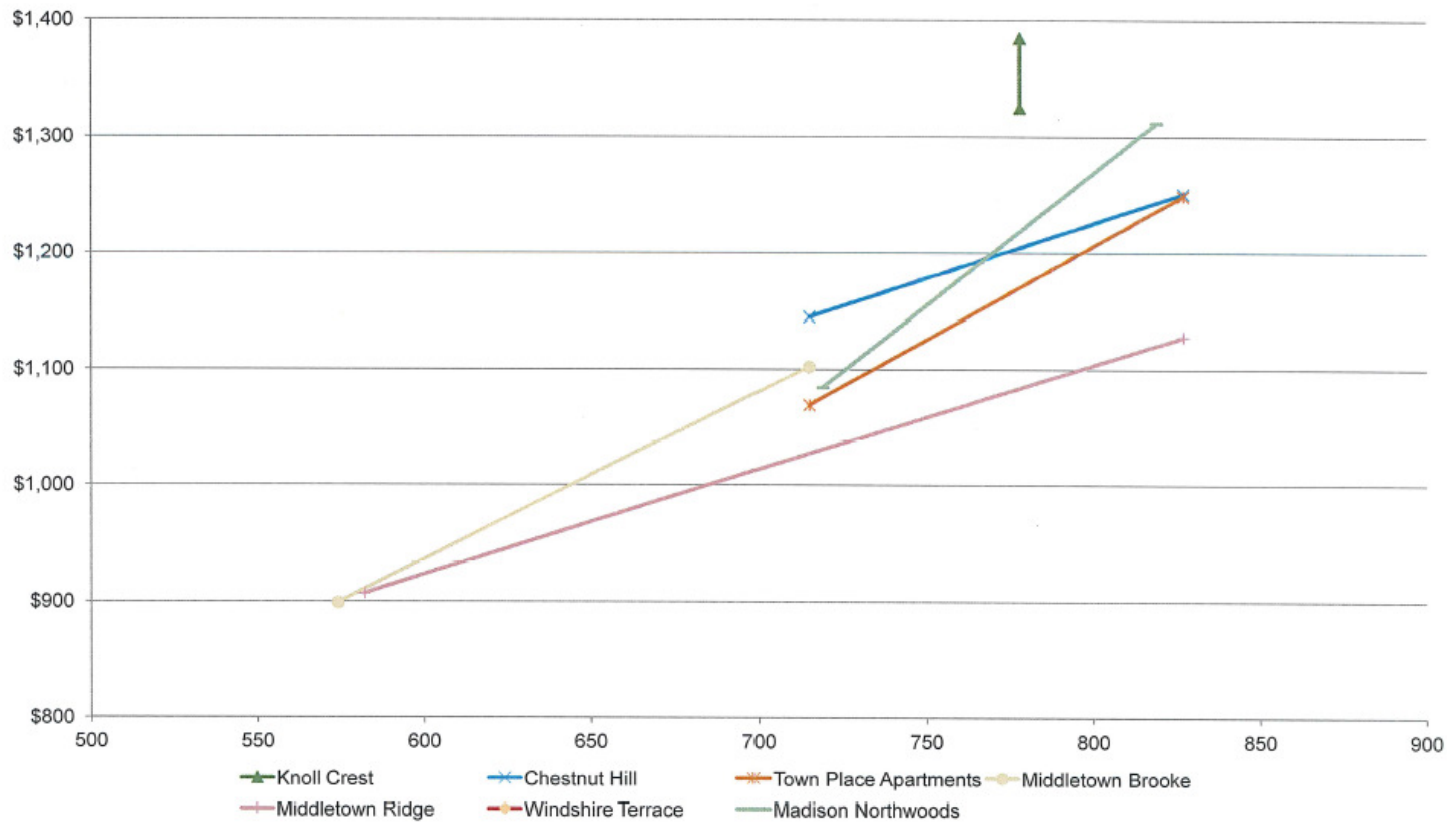
NOTE: (S) indicates "in select apartments"

SOURCE: Apartment Community Websites and Leasing Offices

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-12

PRICE-TO-SIZE - 1 BEDROOM  
MIDDLETOWN, CT  
MAY 2014



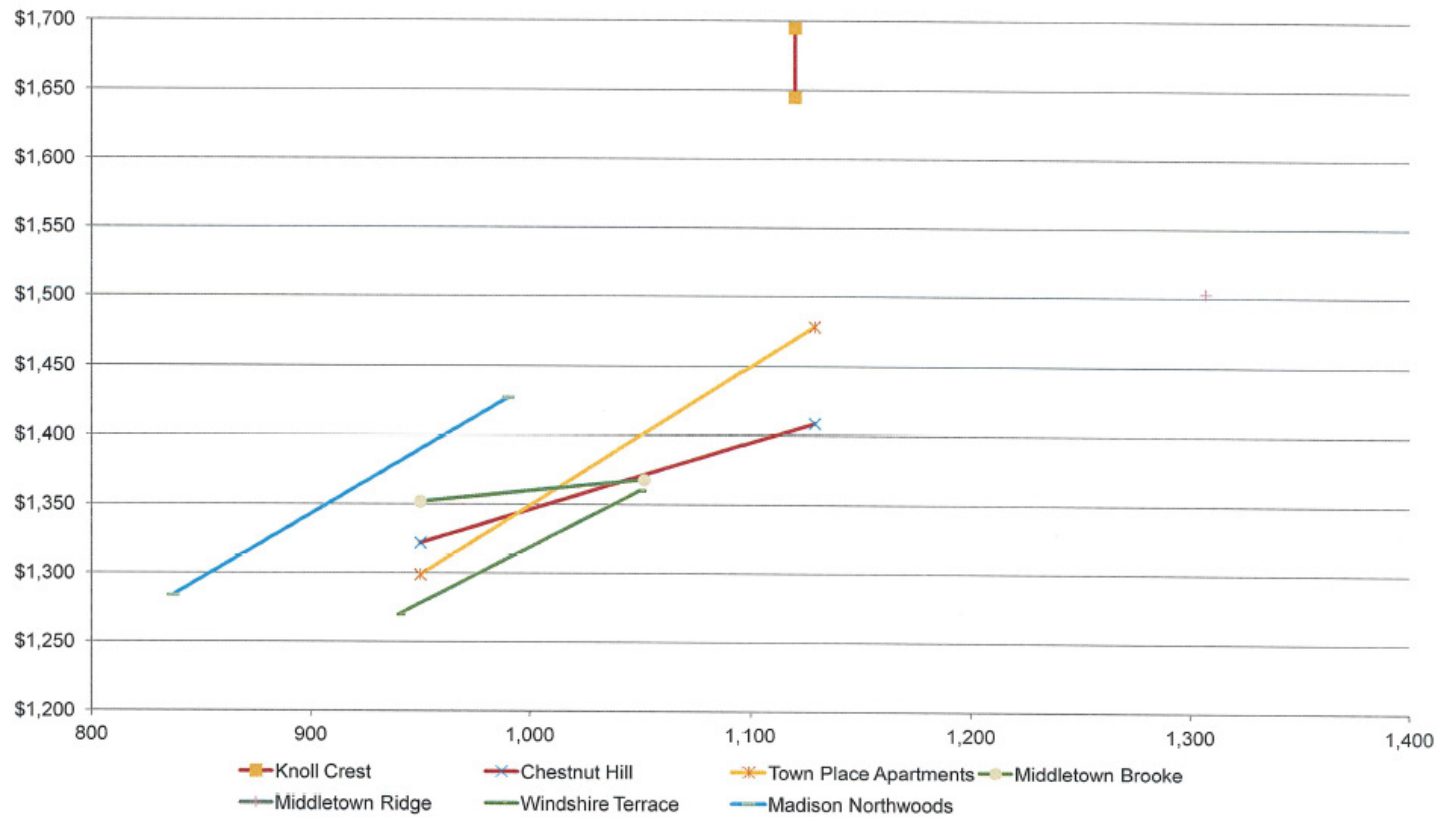
SOURCE: Apartment Community Websites and Leasing Offices



# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-13

PRICE-TO-SIZE - 2 BEDROOM  
MIDDLETOWN, CT  
MAY 2014

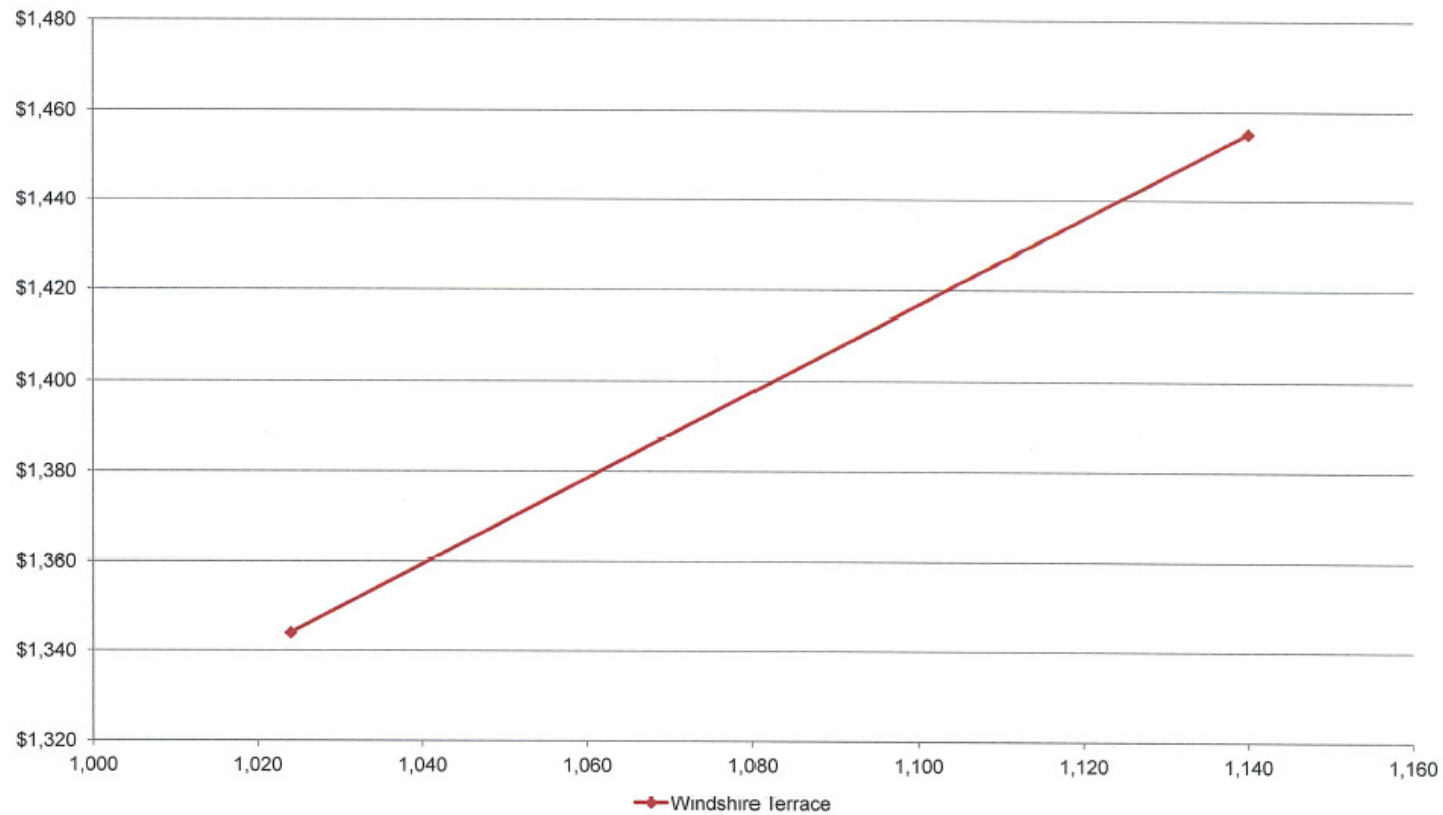


SOURCE: Apartment Community Websites and Leasing Offices

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-14

PRICE-TO-SIZE - 2 BEDROOM + DEN  
MIDDLETOWN, CT  
MAY 2014

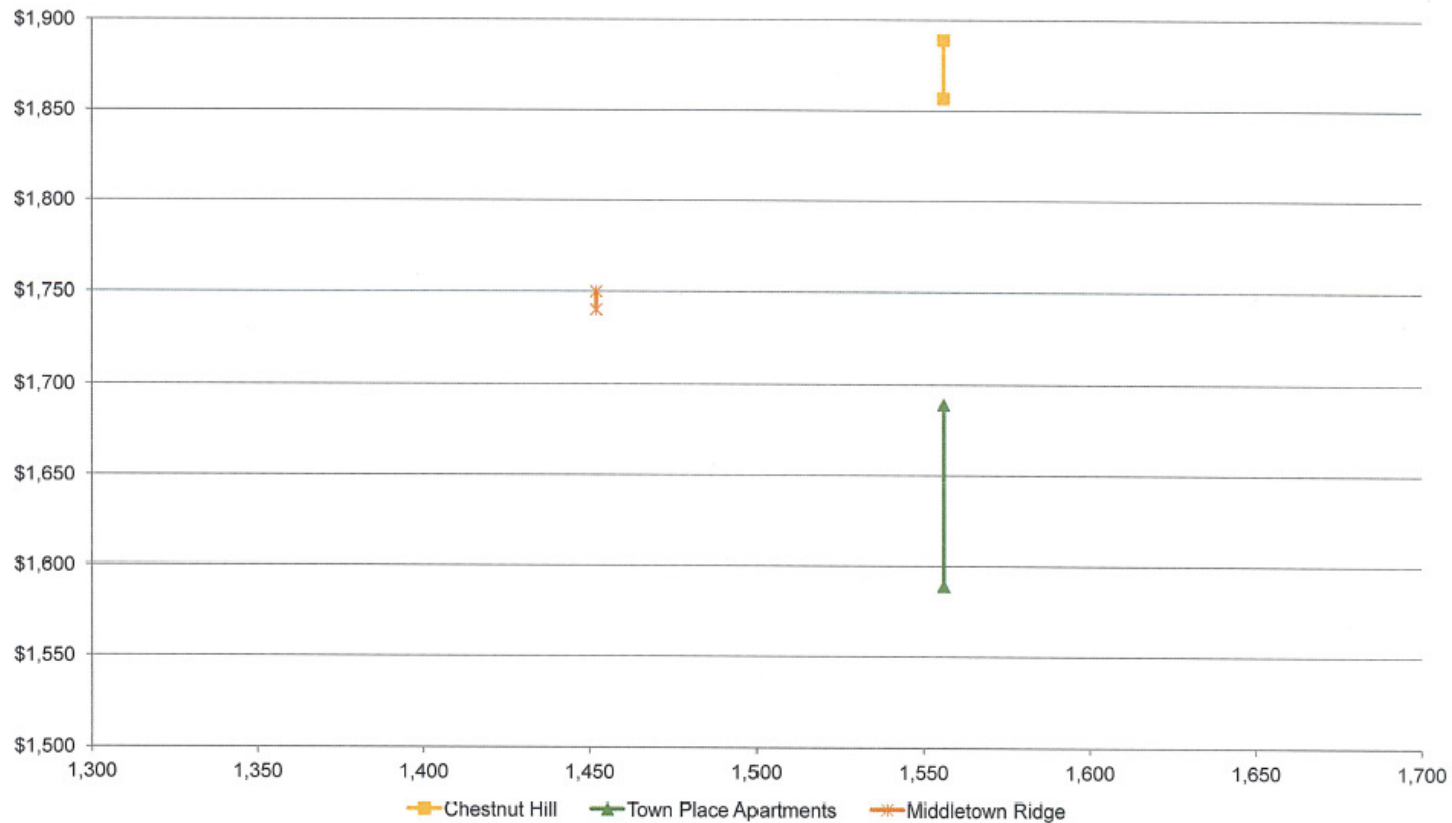


SOURCE: Apartment Community Websites and Leasing Offices

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-15

PRICE-TO-SIZE - 3 BEDROOM  
MIDDLETOWN, CT  
MAY 2014



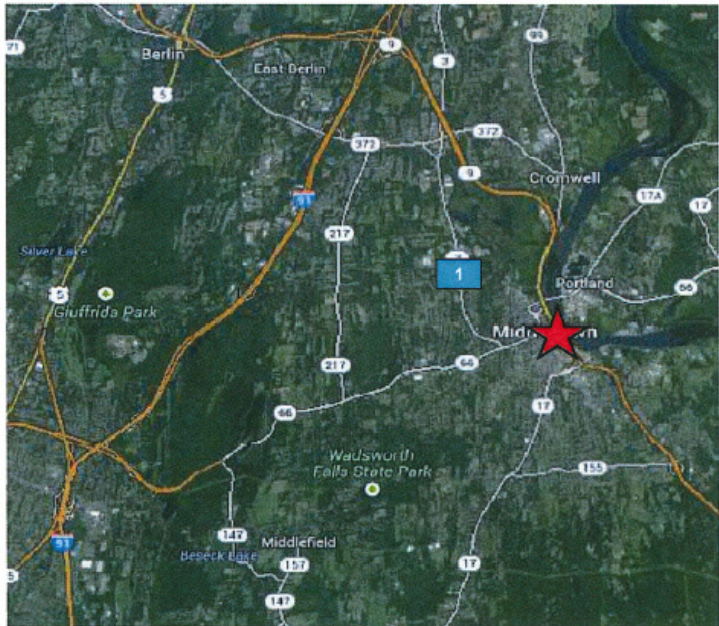
SOURCE: Apartment Community Websites and Leasing Offices



# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-16

MAP OF PLANNED AND PROPOSED RESIDENTIAL COMMUNITIES  
MIDDLETOWN, CT  
MAY 2014



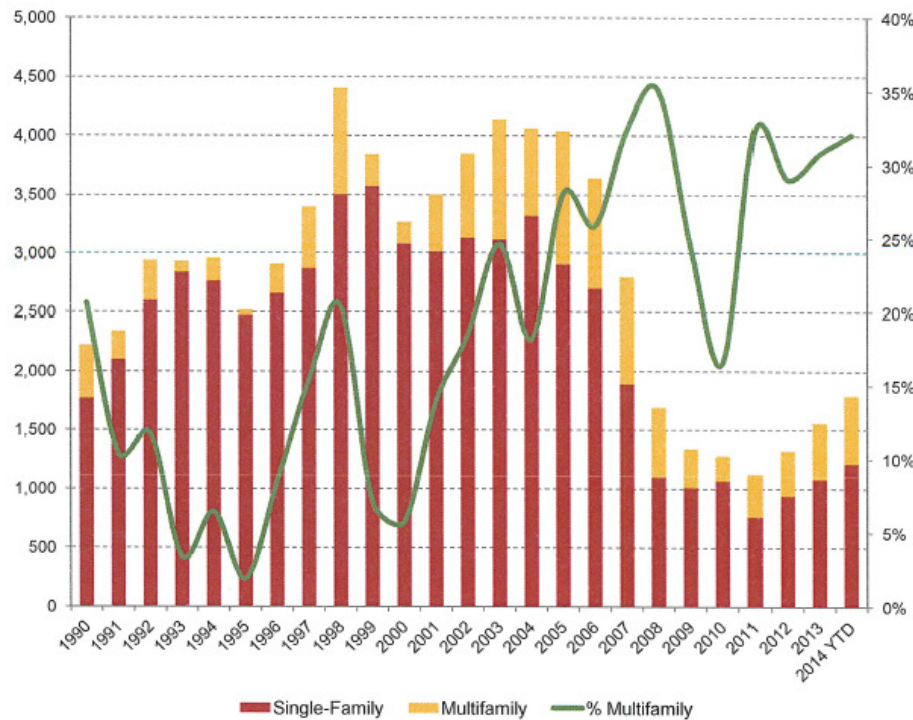
MAP KEY	COMMUNITY	TYPE	SIZE	STAGE
★	Subject Site			
1	Newfield Street Apartments	For-Rent	396	Proposed

SOURCE: RCLCO; REIS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-17

## SINGLE-FAMILY AND MULTIFAMILY BUILDING PERMITS HARTFORD-WEST HARTFORD-EAST HARTFORD, CT MSA 1990-2014 YTD



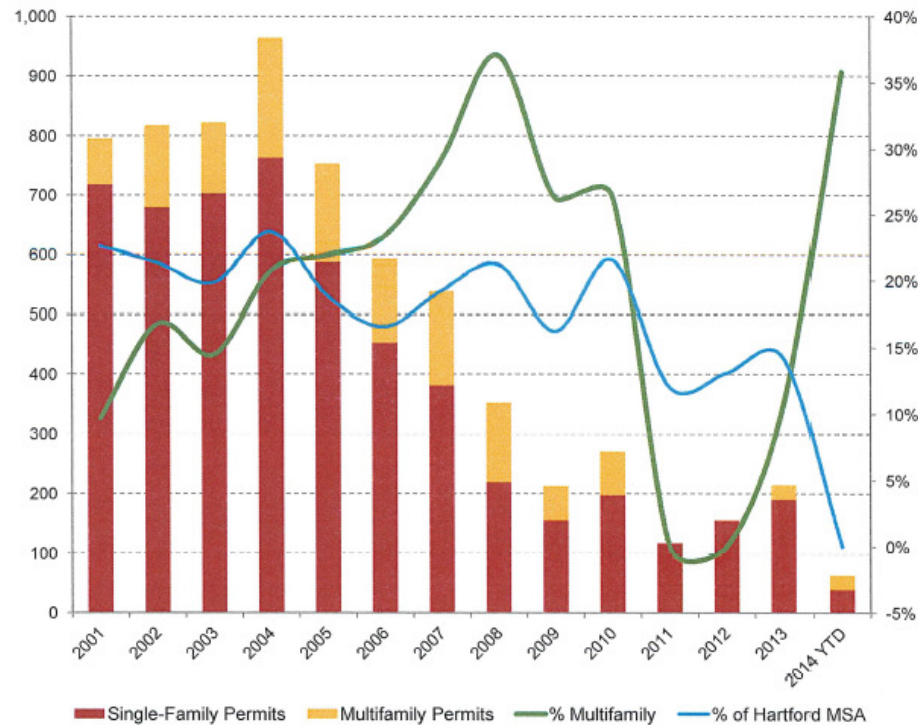
YEAR	ANNUAL PERMITS	SF	% SF	MF	% MF
1990	2,226	1,767	79%	459	21%
1991	2,343	2,099	90%	244	10%
1992	2,945	2,597	88%	348	12%
1993	2,938	2,838	97%	100	3%
1994	2,959	2,768	94%	191	6%
1995	2,520	2,472	98%	48	2%
1996	2,908	2,660	91%	248	9%
1997	3,393	2,869	85%	524	15%
1998	4,403	3,504	80%	899	20%
1999	3,843	3,570	93%	273	7%
2000	3,265	3,077	94%	188	6%
2001	3,504	3,014	86%	490	14%
2002	3,846	3,133	81%	713	19%
2003	4,137	3,117	75%	1,020	25%
2004	4,058	3,319	82%	739	18%
2005	4,036	2,902	72%	1,134	28%
2006	3,638	2,697	74%	941	26%
2007	2,795	1,890	68%	905	32%
2008	1,691	1,098	65%	593	35%
2009	1,338	1,011	76%	327	24%
2010	1,279	1,067	83%	212	17%
2011	1,123	759	68%	364	32%
2012	1,323	939	71%	384	29%
2013	1,560	1,081	69%	480	31%
2014 YTD	1,789	1,216	68%	573	32%

Note: Single-family includes both single-family detached and single family attached  
SOURCE: HUD State of the Cities Data Systems

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-18

## SINGLE-FAMILY AND MULTIFAMILY BUILDING PERMITS MIDDLESEX COUNTY, CT 2001-2014 YTD



YEAR	ANNUAL PERMITS	% OF MSA	SF	% SF	MF	% MF
2001	795	23%	718	90%	77	10%
2002	822	21%	679	83%	138	17%
2003	822	20%	703	86%	119	14%
2004	963	24%	763	79%	200	21%
2005	761	19%	586	77%	167	22%
2006	603	17%	452	75%	141	23%
2007	538	19%	381	71%	157	29%
2008	359	21%	219	61%	133	37%
2009	217	16%	155	71%	57	26%
2010	276	22%	197	71%	73	26%
2011	135	12%	117	87%	0	0%
2012	173	13%	155	90%	0	0%
2013	222	14%	190	86%	24	11%
2014 YTD	67	-	39	58%	24	36%

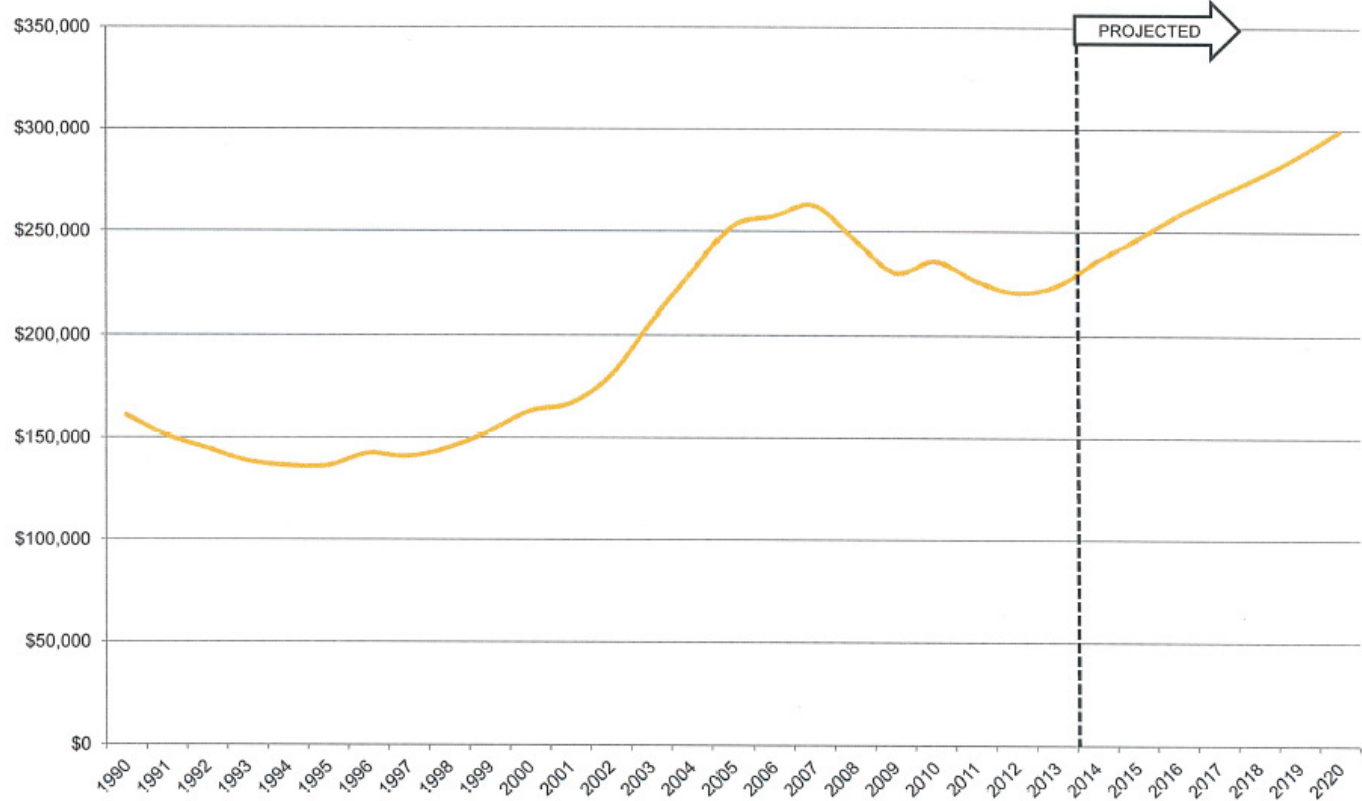
Note: Single-family includes both single-family detached and single-family attached  
SOURCE: HUD State of the Cities Data Systems



# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-20

HISTORICAL AND PROJECTED MEDIAN EXISTING SINGLE-FAMILY HOME PRICE (NAR)  
HARTFORD-WEST HARTFORD-EAST HARTFORD, CT MSA  
1990-2020



SOURCE: Moody's Analytics

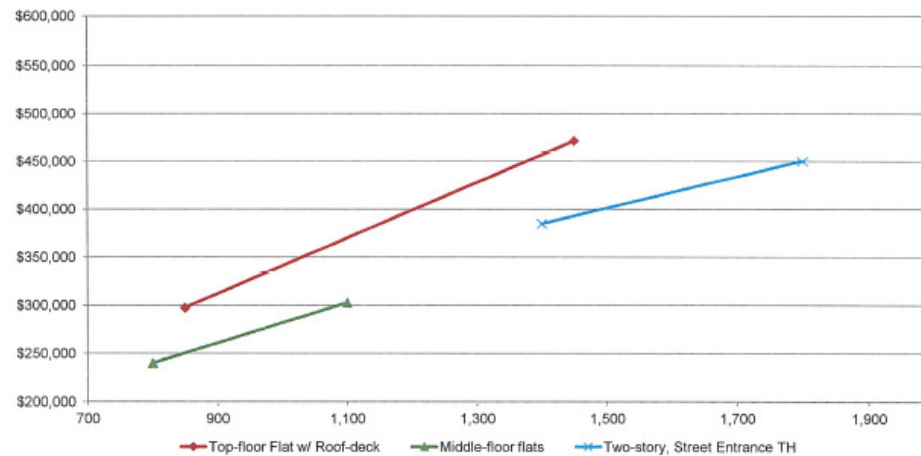
# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-21

### RECOMMENDATIONS FOR FOR-SALE PRODUCT MIDDLETOWN, CT MAY 2014

PRODUCT	# UNITS	% OF TOTAL	TARGET AUDIENCE	BASE PRICE RANGE	SIZE RANGE	PRICE PSF	AVG. UPGRADE %	AVG. PRICE RANGE	ANNUAL ABSORPTION POTENTIAL
Top-floor Flat w/ Roof-deck 1B+D, 2B, 2B+D	14	33%	Empty Nesters, Young Professionals	\$297,500 - \$471,250	850 - 1,450	\$325 - \$350	15%	\$340,000 - \$540,000	6 - 10
Middle-floor flats 1BR, 2BR	14	33%	Young professionals, Mature Singles, Seasonal	\$240,000 - \$302,500	800 - 1,100	\$275 - \$300	8%	\$260,000 - \$330,000	8 - 10
Two-story, Street Entrance TH 2B+Office, 3B	14	33%	Empty Nesters, Couples & Young Families	\$385,000 - \$450,000	1,400 - 1,800	\$250 - \$275	10%	\$420,000 - \$500,000	8 - 10
<b>Total</b>	<b>42</b>	<b>100%</b>							<b>22 - 30</b>

NOTE: Additional phases can be built based upon absorption pace



SOURCE: RCLCO, AvalunBay

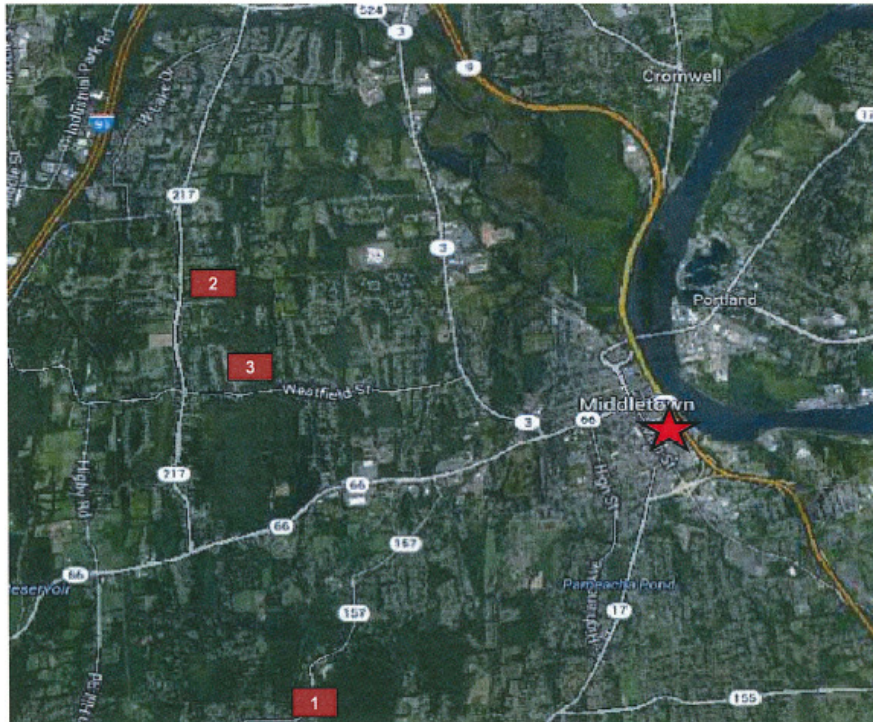


Example of wrap-a-round product in Tysons Corner, VA

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-22

## MAP OF ACTIVELY-SELLING NEW HOME COMMUNITIES MIDDLETOWN, CT MAY 2014



MAP KEY	COMMUNITY	PRODUCT	\$/SF
★	Subject Site		
1	The Maples	SFD	\$158
2	Tuscany Hills	Active Adult	\$202
3	Sonoma Woods	Active Adult	\$180

SOURCE: RCLCO; Community websites; Leasing agent interviews



# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-23

### SUMMARY OF COMPARABLE NEW HOME COMMUNITIES MIDDLETOWN, CT MAY 2014

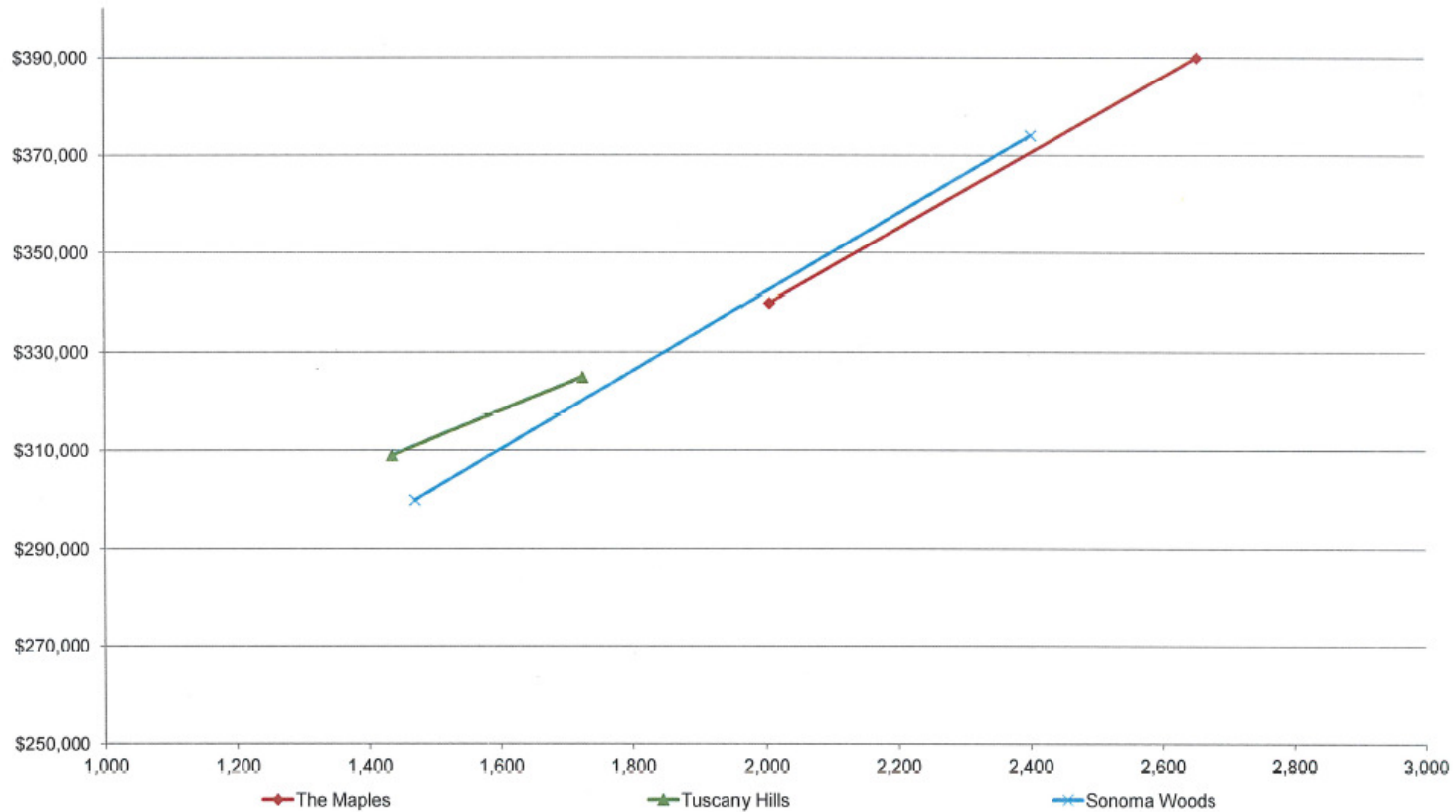
MAP KEY	COMMUNITY	BUILDER	SALES START	TYPE	TOTAL UNITS	TOTAL SOLD	TOTAL REMAINING	LOT SIZE	BASE PRICE RANGE	AVG. BASE PRICE	SIZE RANGE	AVG. SIZE	\$/SF BASE RANGE	AVG. BASE \$/SF
1	The Maples	DeGennaro	2013	SFD	8	8	0	.35 - .60 Acres	\$339,900 - \$389,990	\$364,945	2,006 - 2,654	2,330	\$169 - \$147	\$158
2	Tuscany Hills	Denorfia	2013	Active Adult	30	27	3	N/A	\$309,000 - \$325,000	\$317,000	1,435 - 1,725	1,580	\$215 - \$188	\$202
3	Sonoma Woods	Sunwood	2013	Active Adult	69	45	24	N/A	\$299,900 - \$374,000	\$336,950	1,470 - 2,402	1,936	\$204 - \$156	\$180

SOURCE: RCLCO; Community websites; Leasing agent interviews

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-24

## PRICE-TO-SIZE RELATIONSHIP OF COMPARABLE NEW HOME COMMUNITIES MIDDLETOWN, CT MAY 2014

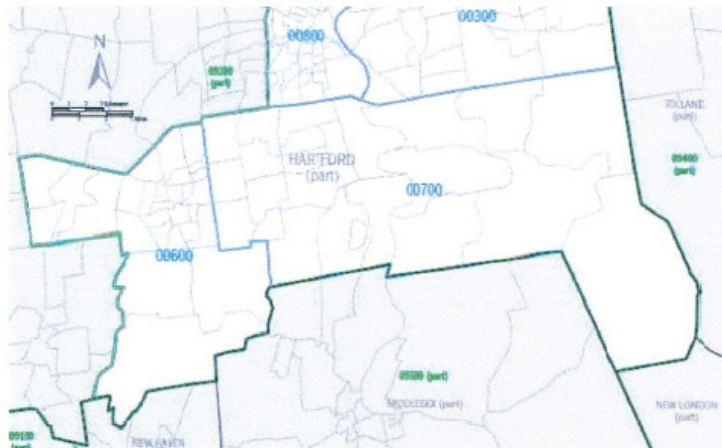


SOURCE: RCLCO

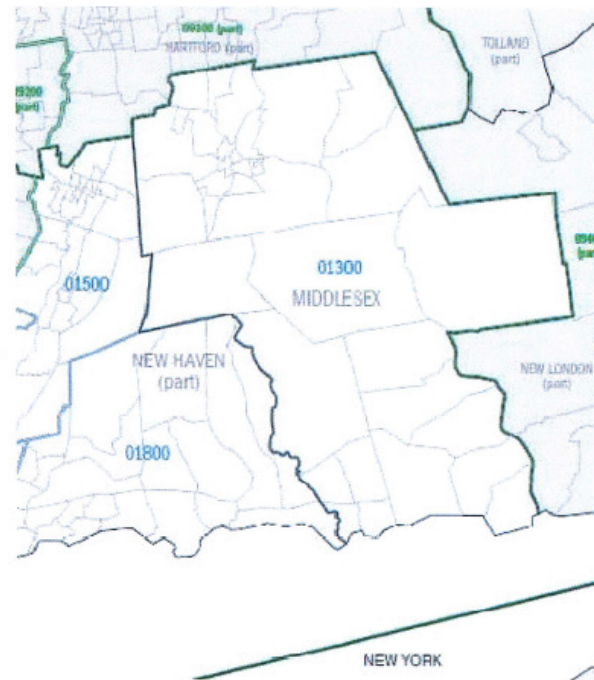
# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-25

## MAP OF PUMS GEOGRAPHIES MIDDLESEX COUNTY AND SOUTH HARTFORD 2012



"01300" constitutes Middlesex County  
"00600" and "00700" constitutes "South Hartford"



SOURCE: U.S. Census PUMS

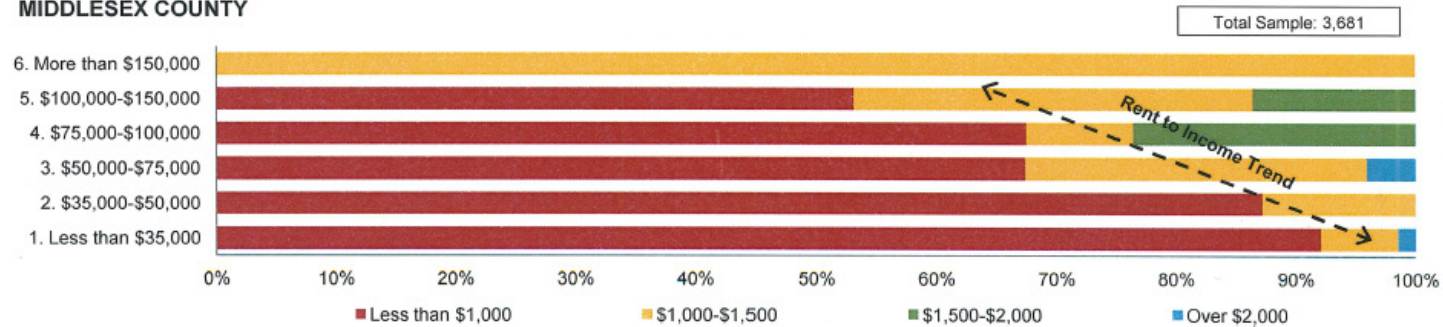


# CENTERPLAN DEVELOPMENT COMPANY, LLC

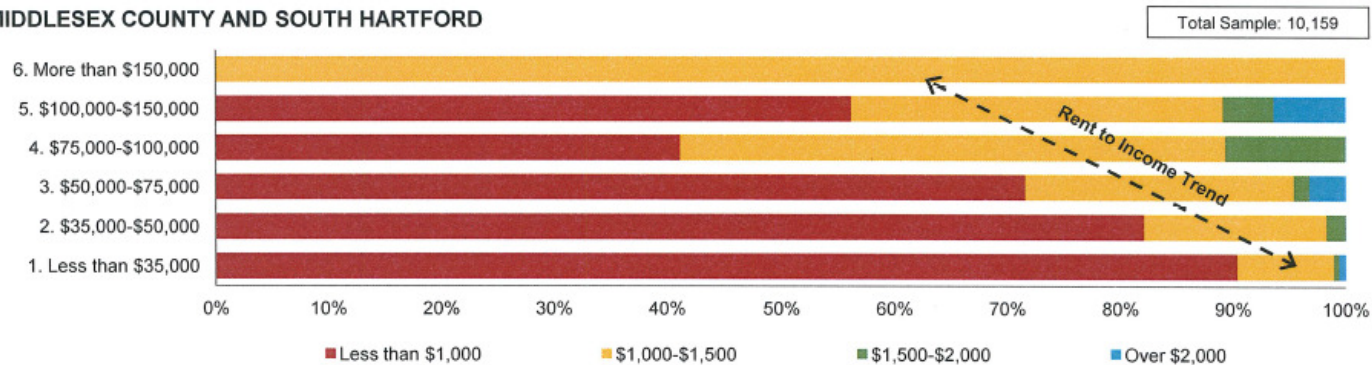
Exhibit III-26

## DISTRIBUTION OF RENTERS BY INCOME AND RENT PAID MIDDLESEX COUNTY AND EXPANDED PMA 2012

### MIDDLESEX COUNTY



### MIDDLESEX COUNTY AND SOUTH HARTFORD



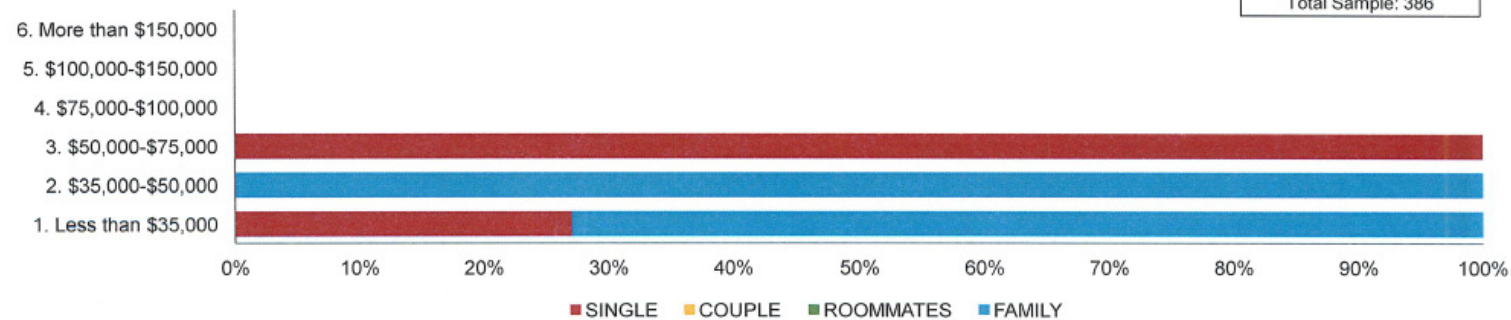
SOURCE: American Community Survey 2010 - 2012 PUMS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

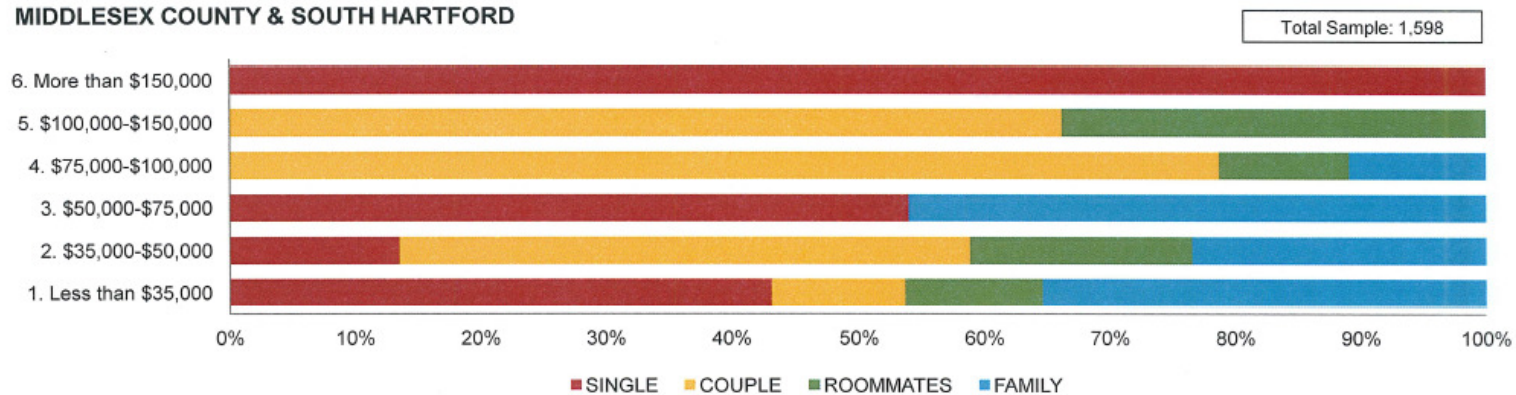
Exhibit III-27

## DISTRIBUTION OF RENTERS (18-34) BY INCOME AND HOUSEHOLD SEGMENT MIDDLESEX COUNTY AND EXPANDED PMA 2012

### MIDDLESEX COUNTY



### MIDDLESEX COUNTY & SOUTH HARTFORD



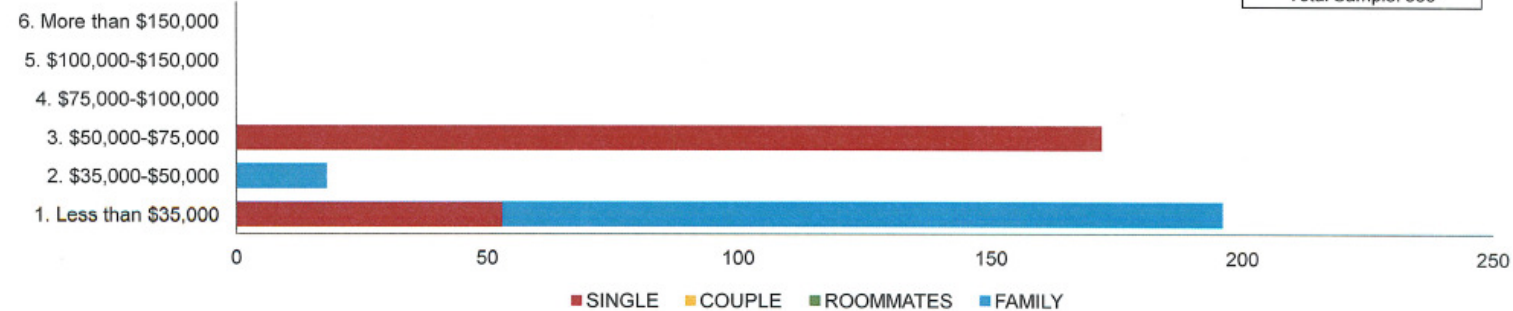
SOURCE: American Community Survey 2010 - 2012 PUMS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

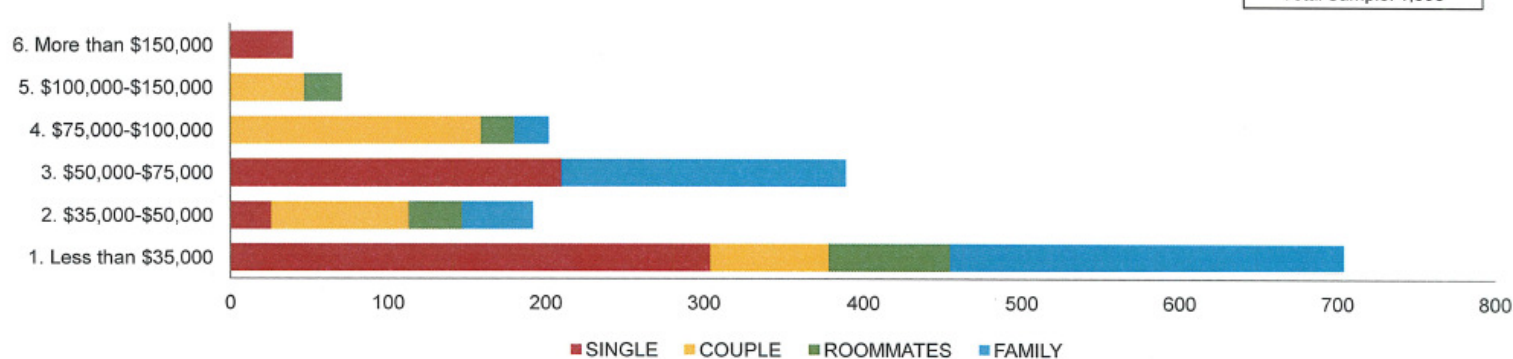
Exhibit III-28

## DISTRIBUTION OF RENTERS (18-34) BY INCOME AND HOUSEHOLD SEGMENT MIDDLESEX COUNTY AND EXPANDED PMA 2012

### MIDDLESEX COUNTY



### MIDDLESEX COUNTY & SOUTH HARTFORD



\*10+ Units in Building

SOURCE: American Community Survey 2010 - 2012 PUMS



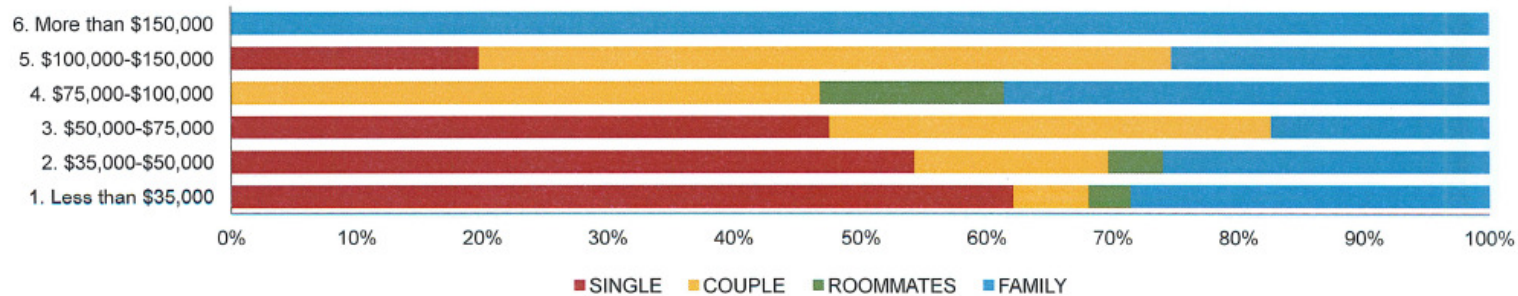
# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-29

## DISTRIBUTION OF RENTERS (35-75) BY INCOME AND HOUSEHOLD SEGMENT MIDDLESEX COUNTY AND EXPANDED PMA 2012

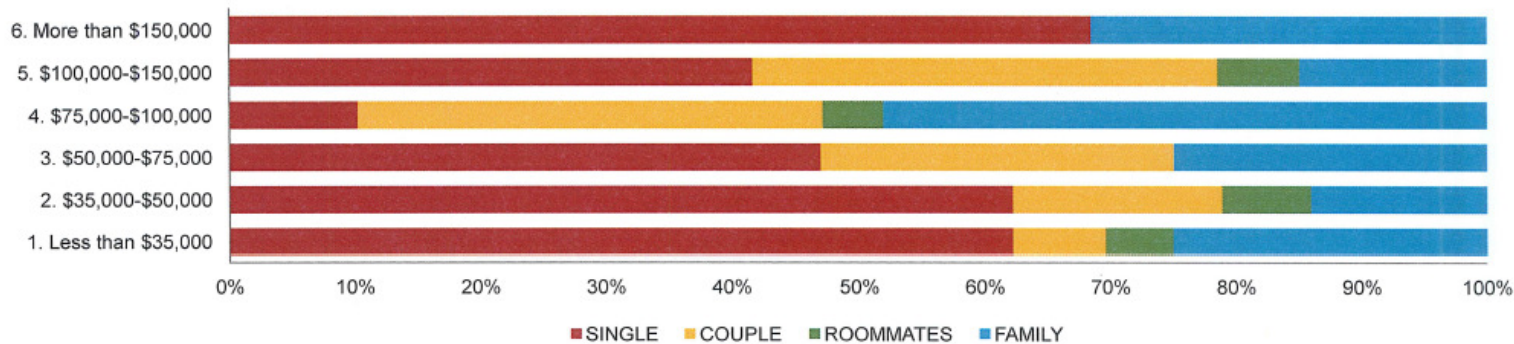
### MIDDLESEX COUNTY

Total Sample: 3,318



### MIDDLESEX COUNTY & SOUTH HARTFORD

Total Sample: 8,514



\*10+ Units in Building

SOURCE: American Community Survey 2010 - 2012 PUMS

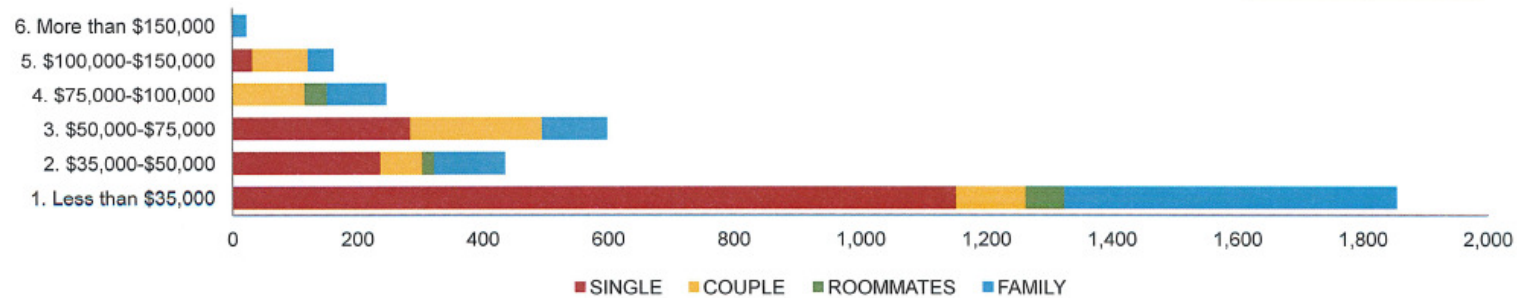
# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-30

## DISTRIBUTION OF RENTERS (35-75) BY INCOME AND HOUSEHOLD SEGMENT MIDDLESEX COUNTY AND EXPANDED PMA 2012

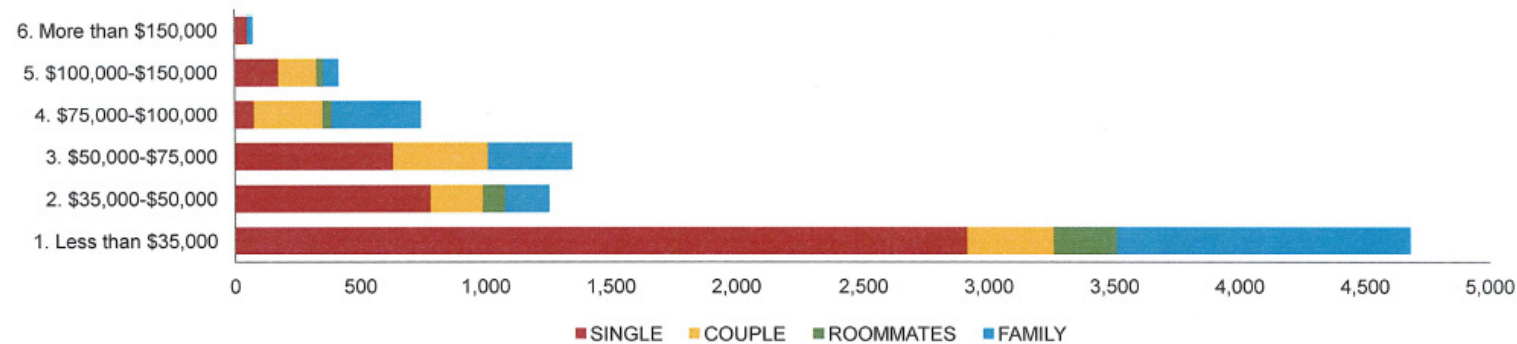
### MIDDLESEX COUNTY

Total Sample: 3,318



### MIDDLESEX COUNTY & SOUTH HARTFORD

Total Sample: 8,514



\*10+ Units in Building  
SOURCE: American Community Survey 2010 - 2012 PUMS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-31

### RENTER MARKET SEGMENTATION MATRIX - DEFINITIONS 2012

MARKET SEGMENTS							
	STUDENT	POST-GRAD	YOUNG PROFESSIONAL	FAMILY	RENTER BY CHOICE	EMPTY NESTER	SENIORS
AFFORDABLE			Age 18 - 34  Singles: Less than \$35,000 Couples: \$35,000 - \$50,000	Any household with children  Incomes less than \$50,000	Age 35-54  Roommates: Less than \$35,00 Couples: \$35,000-\$50,000	Age 55-74  Couples: Less than \$35,000	Age 75 +  Single: Less than \$35,000  Couples: \$35,000-\$50,000
WORKFORCE		Age 18 - 24  Roommates: less than \$100k Single: Less than \$50k	Age 25-34  Roommates: \$35k-\$100k Singles and Couples: \$35-75k	Any household with children  Incomes \$50k-\$100k	Age 35-54  Roommates: \$35k-\$100k Singles and Couples: \$35-75k	Age 55-74  Roommates: \$35k-\$100k Singles and Couples: \$35-75k	Age 75 +  Less than \$75k
MARKET RATE		Age 18 - 24  Roommates: Over \$100k Single: \$50k-\$100k	Age 25-34  Roommates: Over \$100k Singles and Couples: \$75k-\$150k	Any household with children  Incomes Over \$100k	Age 35-54  Roommates: Over \$100k Singles and Couples: \$75k-\$150k	Age 55-74  Roommates: Over \$100k Singles and Couples: \$75k-\$150k	Age 75 +  Over \$75k
LUXURY			Age 18-34  Singles and Couples: Over \$150k		Age 35-54  Singles and Couples: Over \$150k	Age 55-74  Singles and Couples: Over \$150k	

SOURCE: American Community Survey 2010 - 2012 PUMS



# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-33

## RENTER MARKET SEGMENTATION - RENTERS IN TURNOVER MIDDLESEX COUNTY AND SOUTH HARTFORD 2012

MARKET SEGMENTS							
	STUDENT	POST-GRAD	YOUNG PROFESSIONAL	FAMILY	RENTER BY CHOICE	EMPTY NESTER	SENIORS
AFFORDABLE		0% move each year  Annual Demand: 0	25% move each year  Annual Demand: 77	46% move each year  Annual Demand: 754	22% move each year  Annual Demand: 434	12% move each year  Annual Demand: 145	0% move each year  Annual Demand: 0
WORKFORCE		64% move each year  Annual Demand: 98	31% move each year  Annual Demand: 74	38% move each year  Annual Demand: 341	35% move each year  Annual Demand: 363	26% move each year  Annual Demand: 186	21% move each year  Annual Demand: 179
MARKET RATE		13% move each year  Annual Demand: 20	0% move each year  Annual Demand: 0	0% move each year  Annual Demand: 0	9% move each year  Annual Demand: 22	22% move each year  Annual Demand: 43	38% move each year  Annual Demand: 20
LUXURY			0% move each year  Annual Demand: 0		44% move each year  Annual Demand: 22	0% move each year  Annual Demand: 0	

SOURCE: American Community Survey 2010 - 2012 PUMS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-34

### PROFILE OF RENTERS BY AGE GROUP, HOUSEHOLD SEGMENT, AND LIFESTYLE SEGMENT MIDDLESEX COUNTY AND SOUTH HARTFORD 2012

	POST-GRAD	YOUNG PROFESSIONAL	FAMILY	RENTER BY CHOICE	EMPTY NESTER	SENIORS	TOTAL
<b>Ages 18 - 24</b>	<b>352</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>352</b>
Single	328	0	0	0	0	0	328
Couple	24	0	0	0	0	0	24
Family	0	0	0	0	0	0	0
Roommates	0	0	0	0	0	0	0
<b>Ages 25 - 34</b>	<b>0</b>	<b>751</b>	<b>495</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,246</b>
Single	0	252	0	0	0	0	252
Couple	0	367	0	0	0	0	367
Family	0	0	495	0	0	0	495
Roommates	0	132	0	0	0	0	132
<b>Ages 34 - 54</b>	<b>0</b>	<b>0</b>	<b>970</b>	<b>3,297</b>	<b>0</b>	<b>0</b>	<b>4,267</b>
Single	0	0	0	2,364	0	0	2,364
Couple	0	0	0	783	0	0	783
Family	0	0	970	0	0	0	970
Roommates	0	0	0	150	0	0	150
<b>Ages 55 - 74</b>	<b>0</b>	<b>0</b>	<b>770</b>	<b>0</b>	<b>2,095</b>	<b>0</b>	<b>2,865</b>
Single	0	0	0	0	1,691	0	1,691
Couple	0	0	0	0	286	0	286
Family	0	0	770	0	0	0	770
Roommates	0	0	0	0	118	0	118
<b>Ages 75+</b>	<b>0</b>	<b>0</b>	<b>410</b>	<b>0</b>	<b>0</b>	<b>1,019</b>	<b>1,429</b>
Single	0	0	0	0	0	571	571
Couple	0	0	0	0	0	290	290
Family	0	0	410	0	0	0	410
Roommates	0	0	0	0	0	158	158
<b>TOTAL</b>	<b>352</b>	<b>751</b>	<b>2,645</b>	<b>3,297</b>	<b>2,095</b>	<b>1,019</b>	<b>10,159</b>

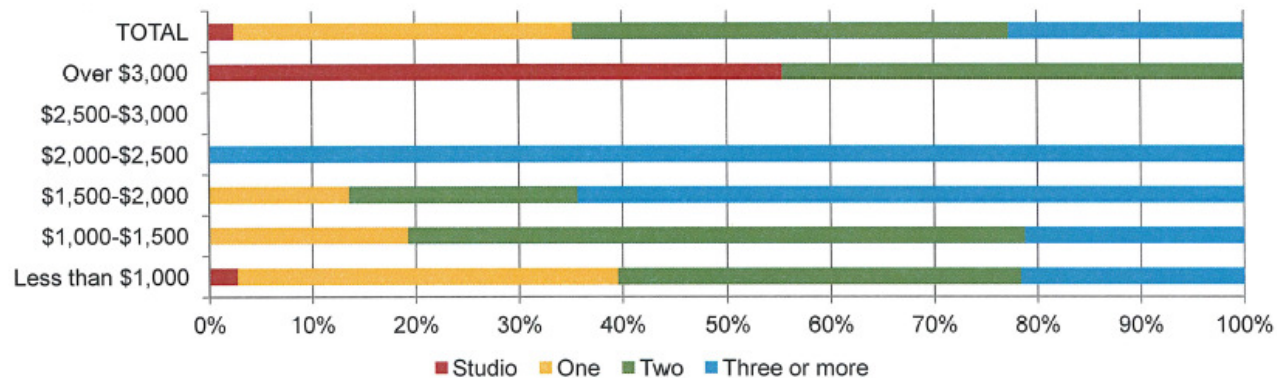
SOURCE: American Community Survey 2010 - 2012 PUMS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-35

## RENTER CATEGORY BY NUMBER OF BEDROOMS MIDDLESEX COUNTY AND SOUTH HARTFORD 2012

Rent Category	NUMBER OF BEDROOMS				TOTAL
	Studio	One	Two	Three or more	
Less than \$1,000	218	2,948	3,107	1,733	8,006
\$1,000-\$1,500	0	353	1,094	390	1,837
\$1,500-\$2,000	0	27	44	128	199
\$2,000-\$2,500	0	0	0	61	61
\$2,500-\$3,000	0	0	0	0	0
Over \$3,000	31	0	25	0	56
<b>TOTAL</b>	<b>249</b>	<b>3,328</b>	<b>4,270</b>	<b>2,312</b>	<b>10,159</b>



SOURCE: American Community Survey 2010 - 2012 PUMS



# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-36

### PROFILE OF OWNERS BY AGE GROUP, HOUSEHOLD SEGEMENT, AND HOUSEHOLD INCOME MIDDLESEX COUNTY AND SOUTH HARTFORD 2012

	LESS THAN \$35,000	\$35,000- \$50,000	\$50,000- \$75,000	\$75,000- \$100,000	\$100,000- \$150,000	MORE THAN \$150,000	TOTAL
<b>Ages 18 - 24</b>	<b>144</b>	<b>0</b>	<b>1,131</b>	<b>33</b>	<b>264</b>	<b>126</b>	<b>1,698</b>
Single	144	0	27	15	19	109	314
Couple	0	0	1,104	0	120	17	1,241
Family	0	0	0	18	125	0	143
Roommates	0	0	0	0	0	0	0
<b>Ages 25 - 34</b>	<b>794</b>	<b>364</b>	<b>6,869</b>	<b>653</b>	<b>816</b>	<b>772</b>	<b>10,268</b>
Single	544	152	28	189	0	0	913
Couple	115	101	6,671	239	573	414	8,113
Family	135	111	170	225	243	358	1,242
Roommates	0	0	0	0	0	0	0
<b>Ages 34 - 54</b>	<b>1,739</b>	<b>1,517</b>	<b>24,281</b>	<b>1,672</b>	<b>2,995</b>	<b>2,143</b>	<b>34,347</b>
Single	1,102	457	668	509	272	60	3,068
Couple	456	628	22,986	569	1,670	1,236	27,515
Family	181	432	627	594	1,053	847	3,734
Roommates	0	0	0	0	0	0	0
<b>Ages 55 - 74</b>	<b>1,679</b>	<b>918</b>	<b>20,022</b>	<b>1,857</b>	<b>2,242</b>	<b>1,772</b>	<b>28,490</b>
Single	1,130	158	551	387	129	173	2,528
Couple	499	460	19,161	847	1,337	848	23,152
Family	0	0	27	0	26	0	53
Roommates	50	300	283	623	750	751	2,757
<b>Ages 75+</b>	<b>781</b>	<b>515</b>	<b>6,979</b>	<b>639</b>	<b>343</b>	<b>581</b>	<b>9,838</b>
Single	678	292	152	61	28	40	1,251
Couple	81	163	6,725	304	130	257	7,660
Family	0	0	0	0	23	0	23
Roommates	22	60	102	274	162	284	904
<b>TOTAL</b>	<b>5,137</b>	<b>3,314</b>	<b>59,282</b>	<b>4,854</b>	<b>6,660</b>	<b>5,394</b>	<b>84,641</b>

SOURCE: American Community Survey 2010 - 2012 PUMS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-37

### PROFILE OF OWNERS BY AGE GROUP, HOUSEHOLD SEGEMENT, AND HOME VALUE MIDDLESEX COUNTY AND SOUTH HARTFORD 2012

	LESS THAN \$100,000	\$100,000- \$200,000	\$200,000- \$300,000	\$300,000- \$400,000	\$400,000- \$500,000	MORE THAN \$500,000	TOTAL
<b>Ages 18 - 24</b>	<b>0</b>	<b>1,263</b>	<b>340</b>	<b>50</b>	<b>28</b>	<b>17</b>	<b>1,698</b>
Single	0	66	225	23	0	0	314
Couple	0	1,197	0	27	0	17	1,241
Family	0	0	115	0	28	0	143
Roommates	0	0	0	0	0	0	0
<b>Ages 25 - 34</b>	<b>164</b>	<b>7,492</b>	<b>1,021</b>	<b>980</b>	<b>305</b>	<b>306</b>	<b>10,268</b>
Single	123	499	188	55	0	48	913
Couple	41	6,752	577	465	156	122	8,113
Family	0	241	256	460	149	136	1,242
Roommates	0	0	0	0	0	0	0
<b>Ages 34 - 54</b>	<b>480</b>	<b>24,605</b>	<b>4,047</b>	<b>2,550</b>	<b>1,499</b>	<b>1,166</b>	<b>34,347</b>
Single	224	1,037	899	518	133	257	3,068
Couple	156	22,954	2,152	1,225	695	363	27,545
Family	100	614	996	807	671	546	3,734
Roommates	0	0	0	0	0	0	0
<b>Ages 55 - 74</b>	<b>451</b>	<b>20,617</b>	<b>3,729</b>	<b>1,875</b>	<b>960</b>	<b>858</b>	<b>28,490</b>
Single	248	798	1,017	255	158	52	2,528
Couple	148	19,329	1,658	1,155	389	473	23,152
Family	26	27	0	0	0	0	53
Roommates	29	463	1,054	465	413	333	2,757
<b>Ages 75+</b>	<b>127</b>	<b>7,187</b>	<b>1,541</b>	<b>475</b>	<b>237</b>	<b>271</b>	<b>9,838</b>
Single	94	279	677	139	35	27	1,251
Couple	33	6,713	491	224	57	142	7,660
Family	0	0	0	23	0	0	23
Roommates	0	195	373	89	145	102	904
<b>TOTAL</b>	<b>1,222</b>	<b>61,164</b>	<b>10,678</b>	<b>5,930</b>	<b>3,029</b>	<b>2,618</b>	<b>84,641</b>

SOURCE: American Community Survey 2010 - 2012 PUMS

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-38

### ANNUAL FOR-RENT RESIDENTIAL DEMAND FROM EXISTING AND NEW HOUSEHOLDS 8-MILE RADIUS FROM SUBJECT SITE 2013-2018

HOUSEHOLD INCOME	AFFORDABLE RENT RANGE <sup>1</sup>	TOTAL HHs <sup>2</sup>	EXISTING HOUSEHOLDS				NEW HOUSEHOLDS			TOTAL			SUBJECT PROPERTY	
			% RENTERS <sup>3</sup>	% OF RENTERS IN TURNOVER <sup>3</sup>	% CHOOSE MF <sup>3</sup>	DEMAND FROM EXISTING RENTERS	NEW HHs <sup>2</sup>	% CHOOSE TO RENT	TOTAL DEMAND FROM NEW HHs	TOTAL DEMAND	% CHOOSE NEW	DEMAND FOR NEW	CAPTURE	DEMAND
UNDER - \$50,000	UNDER - \$1,000	23,261	65%	35%	50%	2,646	61	65%	40	2,686	5%	134	0%	0
\$50,000 - \$75,000	\$1,000 - \$1,400	10,826	50%	30%	40%	649	28	50%	14	664	25%	166	20%	33
\$75,000 - \$100,000	\$1,400 - \$1,700	9,056	30%	20%	35%	190	24	30%	7	197	40%	79	30%	24
\$100,000 - \$150,000	\$1,700 - \$2,300	11,586	15%	15%	35%	91	30	15%	5	96	50%	48	40%	19
\$150,000 AND OVER	\$2,300 AND OVER	9,142	5%	10%	35%	16	24	5%	1	17	50%	9	40%	3
<b>Total - Annual</b>		<b>63,871</b>				<b>947</b>	<b>168</b>		<b>27</b>	<b>974</b>		<b>301</b>		<b>79</b>
<b>Total - 3-Year Demand</b>														<b>238</b>

<sup>1</sup> RCLCO estimates based on review of American Community Survey PUMS data.

<sup>2</sup> ESRI

<sup>3</sup> American Community Survey 2010 - 2012 PUMS; Adjusted by RCLCO such that total quantity of renter households approximates ESRI's 2012 estimate for the PMA.

SOURCE: ESRI; PUMS 2010-2012; RCLCO



# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-39

### ANNUAL FOR-SALE RESIDENTIAL DEMAND FROM EXISTING AND NEW HOUSEHOLDS 8-MILE RING FROM SUBJECT SITE 2013-2018

DEMAND FROM EXISTING HOUSEHOLDS								SUBJECT SITE CAPTURE	
AGE AND INCOME	AFFORDABLE HOME PRICE <sup>1</sup>	TOTAL HHs <sup>2</sup>	% INCOME QUALIFIED	% OWNERS <sup>3</sup>	% OF OWNERS IN TURNOVER <sup>3</sup>	DEMAND FROM EXISTING OWNERS	% CHOOSE MF <sup>3</sup>	% SUBJECT SITE CAPTURE	CAPTURE
Under 35		10,524							
UNDER \$75,000	UNDER \$270,000	6,555	62%	65%	15%	639	5%	10%	3
\$75,000 - \$100,000	\$270,000 - \$350,000	1,685	16%	65%	10%	110	5%	35%	2
\$100,000 - \$150,000	\$350,000 - \$510,000	1,633	16%	70%	5%	57	5%	50%	1
\$150,000 - \$200,000	\$510,000 - \$680,000	475	5%	90%	5%	21	5%	50%	1
\$200,000 AND OVER	\$680,000 AND OVER	176	2%	95%	2%	3	5%	75%	0
35 - 64		37,988							
UNDER \$75,000	UNDER \$270,000	16,791	44%	45%	15%	1,133	1%	10%	1
\$75,000 - \$100,000	\$270,000 - \$350,000	5,753	15%	70%	10%	403	1%	25%	1
\$100,000 - \$150,000	\$350,000 - \$510,000	8,196	22%	90%	10%	738	1%	50%	4
\$150,000 - \$200,000	\$510,000 - \$680,000	4,283	11%	90%	10%	385	1%	50%	2
\$200,000 AND OVER	\$680,000 AND OVER	2,965	8%	95%	5%	141	1%	75%	1
65+		15,359							0
UNDER \$75,000	UNDER \$270,000	10,741	70%	55%	12%	709	5%	35%	12
\$75,000 - \$100,000	\$270,000 - \$350,000	1,618	11%	70%	10%	113	5%	50%	3
\$100,000 - \$150,000	\$350,000 - \$510,000	1,757	11%	90%	5%	79	5%	60%	2
\$150,000 - \$200,000	\$510,000 - \$680,000	739	5%	95%	5%	35	5%	75%	1
\$200,000 AND OVER	\$680,000 AND OVER	504	3%	95%	5%	24	5%	85%	1
SUMMARY OF DEMAND BY AGE GROUP									
UNDER 34		10,524	16%	67%	12%	831	5%	44%	7
35 - 54		37,988	59%	67%	11%	2,800	1%	42%	9
65 AND OVER		15,359	24%	64%	6%	960	5%	61%	20
TOTAL		63,871				4,591	4%	49%	36
SUMMARY OF DEMAND BY HOME PRICE RANGE									
UNDER \$75,000	UNDER \$270,000	34,087	53%	52%	14%	2,481	4%	18%	17
\$75,000 - \$100,000	\$270,000 - \$350,000	9,056	14%	69%	10%	625	4%	37%	6
\$100,000 - \$150,000	\$350,000 - \$510,000	11,586	18%	87%	9%	874	4%	53%	7
\$150,000 - \$200,000	\$510,000 - \$680,000	5,497	9%	91%	9%	442	4%	58%	4
\$200,000 AND OVER	\$680,000 AND OVER	3,645	6%	95%	5%	168	4%	78%	2
TOTAL ANNUAL DEMAND		63,871				4,591			36
TOTAL 4-YEAR DEMAND									144

<sup>1</sup> Assumes a 5% interest rate and 22-23% of income available for home payment

<sup>2</sup> Esri 2013 estimates for the Primary Market Area

<sup>3</sup> U.S. Census Bureau; American Community Survey 2010 - 2012 PUMS data

<sup>4</sup> ESRI growth projections for the PMA from 2013 - 2018

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-40

## POTENTIAL PHASING PLAN FOR RESIDENTIAL PRODUCT SUBJECT SITE MAY 2014

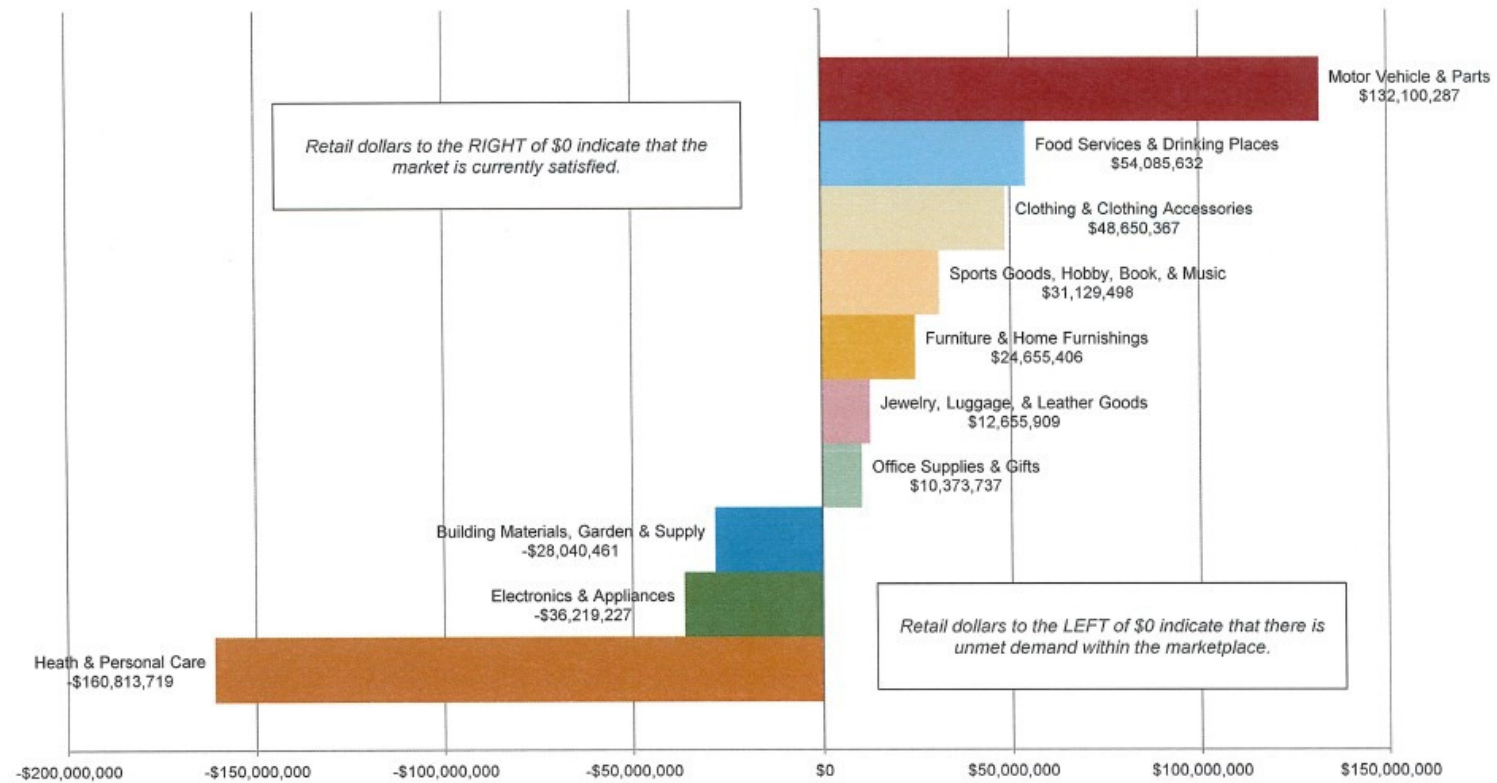
Year	1	2	3	4	5	Total
<b>For-Rent</b>						
Young Professionals						
Phase I.		75 - 100 units				
Phase II.				50 - 60 units		
Empty Nesters						
Phase I.		50 - 75 units				
Phase II.				50 - 60 units		
<b>Total</b>		125 - 175 units			100 - 120 units	
						<b>225 - 295 Units</b>
<b>For-Sale</b>						
Young Professionals						
Phase I.		25 - 40 units				
Phase II.				25 - 40 units		
Empty Nesters						
Phase I.		25 - 40 units				
Phase II.				25 - 40 units		
<b>Total</b>		50 - 80 units			50 - 80 units	
						<b>100 - 160 Units</b>

NOTE: Units totals for phasing based upon demand for-rent and for-sale demand estimates  
SOURCE: RCLCO

# CENTERPLAN DEVELOPMENT COMPANY, LLC

Exhibit III-41

## RETAIL SURPLUS & LEAKAGE 8-MILE RING FROM SUBJECT SITE 2013



SOURCE: ESRI



# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-42

### ECONOMIC AND DEMOGRAPHIC COMPARISON 3-MILE RADIUS FROM SUBJECT SITE AND BLUEBACK SQUARE - WEST HARTFORD 2013-2018

	SUBJECT SITE				BLUEBACK SQUARE			
	2013	% TOTAL	2018	% CHANGE	2013	% TOTAL	2018	% CHANGE
Population	42,065	-	42,116	0.1%	126,451	-	127,311	0.7%
Households	17,168	-	17,243	0.4%	49,923	-	50,286	0.7%
Median Age	39.9	-	40.6	1.8%	36.3	-	36.7	1.1%
Average Household Size	2.2	-	2.2	-	2.4	-	2.4	-
Households by Income								
<\$15,000	2,559	14.9%	2,518	-1.6%	9,568	19.2%	9,466	-1.1%
\$15,000-\$24,999	1,753	10.2%	1,399	-20.2%	5,463	10.9%	4,420	-19.1%
\$25,000-\$34,999	1,520	8.9%	1,046	-31.2%	5,631	11.3%	4,145	-26.4%
\$35,000-\$49,999	2,765	16.1%	2,576	-6.8%	6,540	13.1%	6,391	-2.3%
\$50,000-\$74,999	2,646	15.4%	2,732	3.3%	6,587	13.2%	7,064	7.2%
\$75,000-\$99,999	2,066	12.0%	2,467	19.4%	4,219	8.5%	5,059	19.9%
\$100,000-\$149,999	2,500	14.6%	2,727	9.1%	5,646	11.3%	6,115	8.3%
\$150,000-\$199,999	906	5.3%	1,223	35.0%	3,000	6.0%	3,881	29.4%
\$200,000+	453	2.6%	554	22.3%	3,268	6.5%	3,744	14.6%
TOTAL	17,168	-	17,242	0.4%	49,922	-	50,285	0.7%
Median Household Income	\$49,903		\$57,801	15.8%	\$43,789	-	\$51,828	18.4%
Average Household Income	\$70,162		\$79,945	13.9%	\$77,422	-	\$90,798	17.3%
Per Capita Income	\$29,823		\$33,811	13.4%	\$31,381	-	\$36,676	16.9%

SOURCE: Esri

# CENTERPLAN DEVELOPMENT COMPANY, LLC

## Exhibit III-43

### ECONOMIC AND DEMOGRAPHIC COMPARISON 8-MILE RADIUS FROM SUBJECT SITE 2013-2018

	SUBJECT SITE			
	2013	% TOTAL	2018	% CHANGE
Population	157,260	-	158,614	0.9%
Households	63,507	-	64,154	1.0%
Median Age	41.6	-	42.4	1.9%
Average Household Size	2.4	-	2.4	-
Households by Income				
<\$15,000	5,575	8.8%	5,279	-5.3%
\$15,000-\$24,999	4,154	6.5%	3,207	-22.8%
\$25,000-\$34,999	4,818	7.6%	3,182	-34.0%
\$35,000-\$49,999	8,572	13.5%	7,681	-10.4%
\$50,000-\$74,999	10,762	16.9%	10,752	-0.1%
\$75,000-\$99,999	8,990	14.2%	10,442	16.2%
\$100,000-\$149,999	11,549	18.2%	12,212	5.7%
\$150,000-\$199,999	5,460	8.6%	7,105	30.1%
\$200,000+	3,625	5.7%	4,294	18.5%
TOTAL	63,505	-	64,154	1.0%
Median Household Income	\$68,491		\$78,606	14.8%
Average Household Income	\$92,142		\$106,168	15.2%
Per Capita Income	\$37,859		\$43,586	15.1%

SOURCE: Esri